# Instructions for TRACS 203A
# form HUD–50059–A (xx/xxxx)

## (Move-Outs, Terminations, Gross Rent Changes, Unit Transfers)

## Owner's Certification of Compliance with HUD's Tenant Eligibility and Rent Procedures (Partial Certification)

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## The following are some general notes regarding these instructions:

1. When completing this form, if a conflict arises between these instructions and the instructions provided in the Definitions and Edits section of the TRACS 2.0.3.A MAT User Guide, the TRACS 2.0.3.A MAT User Guide takes precedence.
2. When automatically printing or manually filling out this form, Owner/Agents or TRACS compliant software may add additional descriptors when the instructions require a Code to be chosen. As long as the required Code is filled in for TRACS reporting purposes, the additional descriptors are acceptable.

   Take for example Item 3, Assistance Type. If the property is Section 8, the required Assistance Type Code in Item 3 should be filled in with a **1**. Also shown are instances in which an added descriptor may be printed with the required Code.

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| 2. Assistance Type **1** | 2. Assistance Type **1** (Section 8) | 2. Assistance Type **1** Sec. 8 |

4. These variations are examples of what is acceptable on the completed HUD-50059 A. Even though we see added descriptors on the completed form, the TRACS data field created by TRACS compliant software would be filled in with a **1** because TRACS allows for only one character in the Assistance Type data field.
5. Owners must keep the signed HUD–50059(s) and copies of the HUD–50059–A(s) for tenants from the time of Move-In to Move-Out and for a minimum of three years thereafter. Owners are permitted to store these files electronically, in accordance with compliant encryption services. See Notice H 2020–10 for additional guidance.
6. For TRACS reporting purposes, this form (HUD–50059–A) is referred to as a MAT40 record for Move-Outs, a MAT65 record for Terminations/Suspensions and a MAT70 record for Gross Rent Changes or Unit Transfers.
7. The Owner/Agent must sign and date this completed form HUD–50059–A. The Head of Household must sign and date this completed form HUD–50059–A when there is a change in the amount of rent the household must pay, a change in the utility reimbursement, when there is a unit transfer and when required by state or local law. However, Owner/Agent signature is not required for a Move-Out or a Termination/Suspension transaction.

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# Helpful Web Pages

The webpages linked below can be accessed by placing your cursor on the webpage address, then pressing and holding the **Ctrl** key and left-clicking once (**Ctrl +** Click).

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| **TRACS Webpage** | http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxsum |
| **TRACS Documents** | http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/trx/trxdocs |
| **HUDCLIPS**<br>TRACS 203A versions of the forms HUD-50059 and HUD-50059 A, along with the instructions for these forms. | https://www.hud.gov/hudclips |
| **HUD Handbook 4350.3**<br>*Occupancy Requirements of Subsidized Multifamily Housing Programs* | http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh/4350.3 |
| **Office of Multifamily Housing (MFH) HOTMA Webpage** | https://www.hud.gov/program_offices/housing/mfh/hotma. |
| **Notice H 2023–10**<br>*Implementation Guidance: Sections 102 and 104 of the Housing Opportunity Through Modernization Act of 2016 (HOTMA)* | https://www.hud.gov/sites/dfiles/OCHCO/documents/2023-10hsgn.pdf. |
| **Annual Inflationary Adjustments and Passbook Rate Webpage** | https://www.huduser.gov/portal/datasets/inflationary-adjustments-notifications.html |

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## Partial Certification

**Item 1** Project Name

Enter the project name that appears on the regulatory agreement or assistance contract. This will be the current project name in the Contracts database.

(MAT TENHR Field 20)

Note: TRACS will use this project name for all Fields under this TENHR.

**Item 2** Project Number

Enter the 8-digit FHA, Elderly Housing, or State Agency–noninsured project number. This Item is mandatory for projects with mortgages subsidized pursuant to the Section 236 or BMIR programs and for PAC and PRAC assistance types. It is also required for Section 8, 811 PRA, and SPRAC contracts for which an FHA project number has been assigned.

Sample entries are as follows:

FHA Insured Projects: 12144026

Elderly Housing Projects: 121EH001

Other noninsured Projects: 121001NI

Note: Do not use "0000FMHA" as a project number for an FMHA/RHS property. There should not be a project number for these properties.

Note: If MAT15s (Address Records) are submitted with an Assistance Type "0", a Project Number is required.

**Item 3** Assistance Type

Enter the code for the type of assistance the tenant is receiving at the time of this Transaction.

Valid codes are as follows:

1 = Section 8 (includes 202/8, RAD conversions)

4 = Section 236 (mortgage assistance (Interest Reduction Payments [IRP] or IRP Use Agreement only; no rental assistance)

5 = BMIR (mortgage assistance only; no rental assistance)

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| | 6 = 811 PRA Demo<br>7 = Section 202 PRAC<br>8 = Section 811 PRAC<br>9 = Section 202/162 PAC<br>0 = Market Rent (acceptable only with MAT15 Address Records)<br>10 = SPRAC<br>(MAT TENHR Field 21) |
| **Item 4** Assistance Sub Type | Valid codes are as follows:<br>SPT12 = Very low–income admission to SPRAC unit<br>or<br>SPT34 = Low-income admission to SPRAC unit<br>If the assistance type is Section 8 and the contract is a RAD conversion, fill as follows:<br>RD = Component 1 RAD Conversion<br>RR = Rent Supp/RAP RAD Conversion<br>RM = Mod Rehab RAD Conversion<br>RP = PRAC RAD Conversion<br>RB = RAD/Section 18 Blend |
| **Item 5** Contract Number | This number is mandatory for all assistance types. This number will be used for all TRACS transactions created under this TENHR. Enter the 11-digit Contract Number. Do not enter dashes in this Item (e.g., AK123456789).<br>For 236 or BMIR, leave blank. |
| **Item 6** Transaction Type | Enter the code that best describes the main reason for preparing this form.<br>MO = Move-Out (MAT40 Field 4)<br>TM = Termination (MAT65 Field 4)<br>SU = Suspension (MAT65 Field 4)<br>GR = Gross Rent (MAT70 Field 4)<br>UT = Unit Transfer (MAT70 Field 4) |

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| **Item 7** Head of Household | Enter the name (Last, First, Middle Initial) of the Head of Household. |
| **Item 8** Unit Number | For a Move-out, Termination/Suspension, or Unit Transfer/Gross Rent Change, enter the Unit Number in which the tenant is/was residing at the time of this Transaction. For a Unit Transfer, enter the Unit Number into which the tenant is moving. |
| **Item 9** Unit Group | Enter the number in a group home, if applicable. |
| **Item 10** No. BRs (of Bedrooms) | Enter the number of bedrooms for the unit number listed in Item 8. |
| **Item 11** Building ID | REAC-assigned Building Number. **Leave this Item blank**.<br>Note: TRACS is not edit-checking information for this Field at this time. |
| **Item 12** Effective Date | Enter the date this Transaction is to be effective. Enter the Transaction date as MMDDYYYY. |
| **Item 13** Head ID Code | Enter the 9-digit Social Security Number (SSN) for the Head of Household (SSN).<br>Note: The SSN/TRACS ID of the Head of Household. Enter 999999999 if the Head of Household has no SSN/TRACS ID, along with entering the Head of Household (Item 7) and HoH DOB (Item 14). Do not enter an ITIN (Individual Tax Identification Number) or a Social Security Benefits Claim Number. |
| **Item 14** HoH DOB | Enter the birth date for the Head of Household. Enter date as MMDDYYYY. |
| **Item 15** Correction Type | Leave blank if this is not a correction. Otherwise, enter R = Correction/Retransmittal.<br>**Important Note:** When submitting a correction of an MO, TM/SU, GR/UT to TRACS, in order to change the effective date of the transaction, you must first re-submit the most recent MAT10 (full certification) before you can submit the correction. |

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| | Note: A GR or a date-corrected GR that is effective on the date of a UT must be reported as a UT, not a GR. See 2.0.3.A MAT Guide: Chapter 5 (TRACS Operating Tips), Sections 5–15 and 5–16. |
| **Item 16** EIV Ind. | If an EIV finding is the reason this transaction is being completed, enter "Y". If not, leave blank. |
| **Item 17** Transaction Date Being Corrected | **Leave this item blank**. See Note below.<br>Note: When the functionality in Item 15 to change the effective date of a transaction is activated, "C" will become a legal Correction Type and will be added as a valid code for Item 15. |
| **Item 18** Anticipated Voucher Date | Enter the voucher period (month, day, year) for which the (re)certification will first appear. When the (re)certification is for Assistance Type "4" (Section 236) or Type "5" (BMIR), enter the date that is the first of the month corresponding to the transaction effective date.<br>Note: When entering the date MMDDYYYY, the "DD" will always be "01".<br>See the chart below for a summary of the rules. Adapted from Appendix B–4, Sections B–4.3 of the MAT Guide. |

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| This chart shows the first month that a given cert may appear on a voucher | | |
|---|---|---|
| **Certification Effective** | **Aug 1** | **Aug 2-31** |
| **First Possible Voucher Month** | | |
| AR (Annual) | Aug | NA |
| IR (Interim) | Aug | Oct |
| IC (Initial) | Aug | Oct |
| MI (Move-In) | Sep | Oct |
| MO (Move-Out) | Sep | Oct |
| TM/SU | Sep | Oct |
| GR (Gross Rent) | Aug | Sep |
| UT (Unit Transfer) | Sep | Oct |

## Move-Outs

**Item 19** Move-Out Code

Enter the code that best describes the reason for the Move-Out:

1 = Owner initiated for nonpayment of rent

2 = Owner initiated — other

3 = Tenant initiated — other

4 = Death of sole family member

5 = Unit Transfer between two projects

6 = Reserved for TRACS use only (HQ Move Outs)

7 = Abandoned Unit (4350.3 REV 1: Paragraph 6–9.B.2 and 8–13.A.2) — PDD

8 = Failure to submit SSN

9 = Uninhabitable unit — Abated (Not applicable under 203A rules)

10 = Substantial Rehab or Repair — Tenant Expected to Return (Not applicable under 203A rules)

11 = RAD to Housing Choice Voucher — Choice Mobility Option Exercised. This code is used only for a RAD tenant accepting a Housing Choice Voucher (HCV)

12 = Asset Limitation

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**Item 20** Date of Death of Sole Member

Enter as MMDDYYYY. Required if the Move-Out Code in Item 19 is "4".

Note: The Move-Out date will be the date that the Owner regains possession of the unit. The tenant's assistance payment must end on the date of death of the sole family member and will be captured in Item 22.

**Item 21** Description

Enter the text corresponding to the Move-Out code entered in Item 19.

1 = Owner initiated — Nonpayment of rent

2 = Owner initiated — Other

3 = Tenant initiated — Other

4 = Death of sole family member

5 = Unit Transfer between two projects

6 = TRACS use only (HQ Move Outs)

7 = Abandoned Unit

8 = Failure to submit SSN

9 = Uninhabitable unit — Abated (Not applicable under 203A rules)

10 = Substantial Rehab or Repair — Tenant expected to return (Not applicable under 203A rules)

11 = RAD to Housing Choice Voucher— Choice Mobility Option Exercised

12 = Asset Limitation

## Terminations and Suspensions

**Item 22** Termination/Suspension Code

Enter the code that best describes the reason for the Termination or Suspension.

Unless otherwise noted, the Termination codes do not apply to PRAC properties.

TI = TTP Equals/Exceeds Gross Rent or moving to market rent (May apply to Section 236 and BMIR)

(4350.3 REV 1: Paragraph 8–5.C)

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TC = Did not supply citizenship/eligible alien documentation

TR = Did not re-certify on time. Tenant required to pay market rent. (Legacy code not currently active)

(4350.3 REV 1: Paragraph 8–5.A)

TF = Tenant refused to transfer as agreed or submitted false data

(4350.3 REV 1: Paragraph 8–5.D)

FR = Tenant failed to respond to a notice requiring the tenant to provide information about changes in household composition or income. When the tenant submits the information, their assistance is reinstated (IC) and their rent is changed on the first of the following month.

ST = Ineligible Student. Not available for PRAC. Tenant must move out.

DS = Double assistance at move-in. Use to terminate assistance when a move-out from a former property is effective after the move-in or initial certification date for the new property. The code is intended to be used on a termination effective on the move-in or initial certification date. It will result in an adjustment on the voucher that gives back assistance for the TM date. See **Note** below. (Applies to PRAC properties.)

NS = Resident did not qualify for assistance at MI for reasons other than Double Assistance. Typically, this would be a situation where income at MI or IC is being corrected as a result of an EIV or other investigation and it is found that the tenant was not eligible. Just like the DS code, a TM/NS gives back assistance for the TM date. Per the HUD 4350.3, you can only go back five years when investigating misreporting. Therefore, a TM using the NS code cannot apply to a move-in (MI) more than five years old.

AL = Asset Limitation. Net family assets exceed the asset limitation.

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DM = Death of sole family member. (Applies to PRAC properties.)

OT = Other. A reason not covered by any of the other codes. The following codes are reserved for HUD use only:

EN = Contract terminated for enforcement action.

HQ = TRACS generated termination for failure to recertify, submit termination, or move-out. May be superseded by an Annual Recertification.

Note: TR = Did not re-certify on time. Legacy code for terminations with effective dates less than or equal to TRACS 202C transition date.

Note: All termination codes, except for DS and NS, allow assistance on the effective date of the termination.

The following codes are designated for Suspensions only:

AB = HUD abated unit

CC = Contract Combination

CE = Assistance contract expired, not renewed. Do not use when renewal is delayed. (Applies to PRAC properties.)

ND = Natural Disaster or Uninhabitable Unit or Presidentially Declared Disaster

RD = Section 8 RAD tenant transferred to other housing during rehab on or after the Contract Effective Date.

RH = Section 8 RAD tenant transferred to other housing during rehab before the Contract Effective Date

RR = Substantial rehab or repair; Tenant expected to return.

**Item 23** Date of Death of Sole Member

Enter as MMDDYYYY. Required if the Termination/Suspension Code in Item 22 is “DM”.

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| **Item 24** Description | Enter the text corresponding to the Termination/Suspension code entered in Item 22<br><br>TI = TTP Equals/Exceeds Gross Rent or moving to market rent<br><br>TC = Did not supply citizenship documentation<br><br>TR = Did not re-certify on time<br><br>TF = Tenant refused to transfer or submitted false data<br><br>CE = Assistance contract expired, not renewed<br><br>ST = Ineligible Student<br><br>DS = Double subsidy at move-in<br><br>ND = Natural Disaster or Uninhabitable Unit<br><br>AB = HUD abated unit<br><br>RR = Substantial rehab or repair, tenant expected to return<br><br>NS = Resident did not qualify for assistance<br><br>AL = Asset Limitation. Net family assets exceed the asset limitation.<br><br>OT = Other. A reason not covered by any of the other codes<br><br>EN = Contract terminated for enforcement action<br><br>HQ = TRACS generated termination for failure to recertify<br><br>TR = Did not re-certify on time<br><br>DM = Death of sole family member<br><br>RD = Section 8 RAD tenant transferred to other housing during rehab on or after the Contract Effective Date<br><br>RH = Section 8 RAD tenant transferred to other housing during rehab before the Contract Effective Date<br><br>CC = Contract Combination<br><br>FR = Tenant failed to respond to a notice requiring the tenant to provide information |

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about changes in household composition or income

Note: When the tenant submits the information, their assistance is reinstated (IC) and their rent is reduced on the first of the following month.

## Gross Rent Changes and Unit Transfers

Note: If a Gross Rent Change or Unit Transfer has the same effective date as a full certification for the tenant, include the new GRC and/or UT information on the full certification (50059) instead of this form.

**Item 25** Prev. Unit No. (UTs only)

For a Unit Transfer (MAT70 TRACS record), enter the Unit from which the (UTs only) tenant transferred.

Note: If this unit transfer includes changes in family composition and/or income, assets or expenses, complete a full certification (50059), instead of this form, making sure to fill this information on the HUD–50059.

**Item 26** Secondary Assistance Type

If this transaction type (Item 6) is a **GR** or **UT**, enter "S" if this tenant is receiving Section 8 and is living in a Section 236 property. Enter "B" if this tenant is receiving Section 8 assistance and is living in a BMIR property. Otherwise, leave blank.

**Item 27** 236 Basic/BMIR Rent

If Item 26 has an "S", enter the Section 236 Basic Rent. If Item 26 has a "B", enter the BMIR Rent. **For a Unit Transfer, enter the 236 Basic/BMIR Rent for the Unit into which the tenant is moving.** Otherwise, leave blank.

Approved HUD–92458 (Rent Schedule)

**Item 28** 236 BMIR/Market Rent

This Item is required to be filled in if Section 236 or BMIR is the primary or secondary assistance. Enter the market rent HUD or the Contract Administrator has approved for this unit type. **For a**

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| | **Unit Transfer, enter the Market Rent for the Unit into which the tenant is moving.** If not applicable, leave blank.<br><br>(Approved HUD–92458 (Rent Schedule)) |
| **Item 29** Security Deposit | **For Section 8 only:** The amount collected from the tenant when they moved into the project. If this transaction is a Unit Transfer, include any amounts transferred from the previous unit.<br><br>Note: The security deposit amount was determined at move-in and should not change, unless the O/A refunded the old deposit and an Interim/Unit Transfer (IR/UT) or an Annual/Unit Transfer (AR/UT) determines a new amount.<br><br>(4350.3 REV 1: Paragraph 6-15 & 6-16, Figure 6-7) |
| **Item 30** Contract Rent | For a Gross Rent Change, enter the rent HUD or the Contract Administrator has approved for this unit type**. For a Unit Transfer, enter the Contract Rent for the Unit into which the tenant is moving.**<br><br>Enter the rent HUD or the Contract Administrator has approved for this unit type. If all of the utilities are included in the rent, enter the contract rent. It the tenant pays utilities separately, enter the gross rent minus the HUD approved utility allowance to arrive at the contract rent.<br><br>**Note: This amount cannot be zero.**<br><br>(Approved HUD–92458 (Rent Schedule)) |
| **Item 31** Utility Allowance | If all of the utilities are included in the rent, enter zero in this Item. If not, enter the amount that HUD or the Contract Administrator has approved for this unit type. **For a Unit Transfer, enter the Utility Allowance for the Unit into which the tenant is moving.** |

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| | (Approved HUD–92458 (Rent Schedule)) |
| **Item 32** Gross Rent | Enter the amount HUD or the Contract Administrator has approved for this unit type**. For a Unit Transfer, enter the Gross Rent for the Unit into which the tenant is moving.**<br><br>(Approved HUD–92458 (Rent Schedule)) |
| **Item 33** TTP at RAD Conversion | If Section 8 sub-type is not Component 1 PH to PBRA RAD or if not Section 8, leave blank. If Component 1 PH to PBRA RAD and if no Rent Phase-in is involved, leave blank. If RAD and Rent Phase-in is in process, enter the TTP (Total Tenant Payment) the tenant is/was paying at the time of conversion to RAD.<br><br>**NOTE:** This is not Tenant Rent. Tenant Rent = TTP less any Utility Allowance. |
| **Item 34** RAD FMR | Enter a value only if this UT/GR is for a Section 8 RAD tenant converted from public housing (Component 1) AND Assistance calculates as 0 or negative. Enter the FMR in effect on the effective date of this UT/GR. See the (203ACalculatingTenantRent.xlsx) spreadsheet for guidance on the calculations. |
| **Item 35** RAD Other Program Rent | Enter a value only if this UT/GR is for a Section 8 RAD tenant converted from public housing (Component 1) AND Assistance calculates as 0 or negative AND there is rent from an Other program (for example, LIHTC). Enter the lowest Tenant Rent of any other programs.<br><br>See the 203ACalculatingTenantRent.xlsx spreadsheet for guidance on the calculations. |
| **Item 36** Rent Override | Enter “Y” if the normal rent calculations have been overridden for this transaction. Otherwise, leave blank. Note that Noncitizen rule proration and minimum |

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rent exceptions are not considered Rent Overrides.

See also the rent calculation spreadsheet (203ACalculatingTenantRent.xlsx) for how overrides affect calculations. The spreadsheet is located on the TRACS Web page. Click on Documents, then click on "TRACS 203A Final Industry Specification Documents."

**Item 37** TTP Before Override

If this is a Rent Override situation (Item 36, Rent Override set to "Y") and the rent calculation involves TTP, enter the TTP that would normally be calculated without the Override. Otherwise, leave blank.

NOTE: For a RAD rent phase-in, on the first certification in which the TTP Before Override equals the Total Tenant Payment, enter the amounts in this Item and Item 33. The fact that TTP Before Override = Total Tenant Payment signals that the phase-in is complete. For future transactions (those with effective dates after the one that ends the rent phase-in), leave this Item and Item 33 blank.

**Item 38** Total Tenant Payment

The Total Tenant Payment (TTP) is the amount a tenant is expected to contribute for rent and utilities. The TTP for Section 8, PAC, PRAC, 811 PRA Demo, and SPRAC properties is based on the family's income. For Section 236 and BMIR tenants, enter zero or leave blank.

For Section 8, PRAC, PAC, 811 PRA Demo, and SPRAC, the Total Tenant Payment (TTP) is the greater of:

- 30% monthly adjusted income;
- 10% monthly gross income;
- Welfare rent (welfare recipients in as-paid localities only); or $25 minimum rent (Section 8 only). Submit a prorated amount for a prorated tenant.

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(4350.3 REV 1: Paragraph 5–25, Figure 5–6, Exhibit 5–8)

**Item 39** Tenant Rent

For Section 8, Section 202/162 PAC, Section 202/811 PRAC, SPRAC, and 811 PRA Demo tenants: Tenant Rent (TR) is the portion of the TTP the tenant pays each month to the Owner for rent.

When utilities are paid by the Owner, the Tenant Rent (TR) will equal the Total Tenant Payment (TTP). When utilities are paid by the tenant, the TR equals the TTP minus the Utility Allowance. If the Utility Allowance (UA) is greater than the TTP, enter zero and calculate the Utility Reimbursement (Item 40).

For Section 236 and BMIR tenants: See 4350.3 REV–1: Exhibit 5–8 for calculating Tenant Rent.

See the (203ACalculatingTenantRent.xlsx) spreadsheet for guidance.

(4350.3 REV 1: Paragraph 5–26.A)

**Item 40** Utility Reimbursement

If the Utility Allowance exceeds the Total Tenant Payment, subtract the TTP from the Utility Allowance and enter the difference.

For Section 236 and BMIR tenants, leave blank.

(4350.3 REV 1: Paragraph 5–26.C)

**Item 41** Assistance Payment

Enter the amount the owner bills HUD on behalf of the tenant living in a Section 8, 202/811 PRAC, 811 PRA Demo, SPRAC or 202/162 PAC property. To determine this amount, subtract the TTP (Item 38) from the Gross Rent (Item 32). GR - TTP = AP. If the TTP is greater or equal to the GR, enter zero in this Item, except for a PRAC or RAD Component 1 tenant. For these tenants, enter the AP amount, even if the amount is a negative number (e.g., –

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75 or (75)). For all other tenants, enter zero or leave blank.

(4350.3 REV 1: Paragraph 5–26.B)

See the (203ACalculatingTenantRent.xlsx) spreadsheet for guidance.

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