

TAX TRANSCRIPT POLICY

- Tax transcripts are required for the most recent 2 years of income for self-employed borrowers (contingent upon AUS findings) and other non-wage sources of income. The following will require tax transcripts:
 - ▶ Earns 25% or more of his or her income from commissions
 - ▶ Employed by family members
 - ▶ Receives income that cannot otherwise be verified by an independent and knowledgeable source (i.e. loan files where handwritten pay stubs are used as verification of income)
 - ▶ Jumbo or Full Doc Expanded Niche loans
 - ▶ FHA loans where the type of employment that typically trigger possible 2106 expenses such as:
 - Truck drivers
 - Teachers
 - Loan officers
 - Sales / Marketing, etc.
 - ▶ CalPLUS (Conventional and FHA) and *Within Reach*TM Government
- Tax and W-2 transcripts are not required for hourly/salaried borrowers.
- If tax transcripts are not available (due to recent filing), a copy of IRS notice showing “no record of return filed” is required along with documented acknowledgement receipt (such as IRS stamped, or proof return was electronically received) from IRS and previous year’s tax transcripts. Evidence taxes owed paid or proof of refund is received.
- If loan is eligible for FNMA Day 1 Certainty and employment/income can be validated via the work number, W-2 / tax transcripts will not be required.

