

Very low-income family. A low-income family whose annual income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income limits higher or lower than 50 percent of the median income for the area on the basis of its finding that such variations are necessary because of unusually high or low family incomes.

[43 FR 34388, Sept. 6, 1988; 53 FR 36450, Sept. 20, 1988, as amended at 61 FR 5213, Feb. 9, 1996]

Subparts B–G [Reserved]

Subpart H—Payment Standard and Housing Assistance Payment

§ 887.351 Determining the payment standard and the payment standard schedule.

(a) *Payment standard amount.* (1) The payment standard is an amount used to calculate the monthly housing assistance payment. (Section 887.353 states how to calculate the monthly amount of the housing assistance.)

(2) Each payment standard amount is based on the published Section 8 Existing Housing fair market rent. The PHA must establish a separate payment standard amount by unit size (single room occupancy, zero-bedroom, one-bedroom, etc.) for each fair market rent area within its jurisdiction.

(b) *Payment standard schedule.* (1) The payment standard schedule is a list of the payment standard amounts for each unit size in a fair market rent area in the PHA's jurisdiction. A PHA must adopt and maintain a payment standard schedule for each fair market rent area in the PHA jurisdiction. A PHA may have only one payment standard schedule for each fair market rent area. Each payment standard schedule may have only one payment standard amount for each unit size in the fair market rent area.

(2) Each payment standard amount on the schedule may not be less than 80 percent of the published Section 8 Existing Housing fair market rent (in effect when the payment standard amount is adopted) for the unit size, nor more than the fair market rent or HUD-approved community-wide excep-

tion rent (in effect when the payment standard amount is adopted) for the unit size. (Community-wide exception rents are maximum gross rents approved by HUD for the Certificate Program under § 882.106(a)(3) of this chapter for a designated municipality, county, or similar locality, which apply to the whole PHA jurisdiction.)

(c) *Increasing payment standard amounts on the payment standard schedule.* The PHA, in its discretion, may adopt annual increases of payment standard amounts on the payment standard schedule so that families can continue to afford to lease units with assistance under the Housing Voucher Program.

(d) *Decreasing payment standard amounts on the payment standard schedule.* When revised Section 8 Existing Housing fair market rents are published for effect in the FEDERAL REGISTER and any fair market rent or HUD-approved community-wide exception rent is lower than the corresponding payment standard amount on the PHA's payment standard schedule, the PHA must adopt a new payment standard amount not more than the revised FMR or the HUD-approved community-wide exception rent.

[43 FR 34388, Sept. 6, 1988; 53 FR 36450, Sept. 20, 1988]

§ 887.353 Determining housing assistance payments amounts.

(a) *General—(1) Using the payment standard.* A PHA uses the payment standard schedule to determine the appropriate payment standard for a particular family, based on the family size and composition and the PHA occupancy standards. Once the PHA determines the appropriate payment standard amount from the schedule, the PHA subtracts 30 percent of the family's monthly adjusted income (as computed under Part 813) to arrive at the monthly housing assistance payments that the PHA will make to the owner on behalf of the family. (For example, if a family qualifies for a four-bedroom housing voucher under the PHA occupancy standards and has monthly adjusted income of \$500, and the payment standard amount for a four-bedroom housing voucher is \$600, the housing assistance payment for the family is the