

Bulletin 24-02

2023 W-2/1099 and Tax Return Requirements

Homebridge is providing guidance on W-2/1099 and tax return requirements. The following applies to conventional, government (including manually underwritten loans), Jumbo Gold, Jumbo Elite, Access and Elite Access (Access/Elite Access: Full Doc and 1099 Only options) transactions.

2023 W-2/1099 Requirements

Federal law requires employers to issue Wage and Tax Statements (W-2) and Form 1099-Misc for the previous year to employees/individuals no later than January 31st of each year

Loans with a Note Dated on or after February 1, 2024

When the DU/LPA Findings report or loan program requirements on manually underwritten loans require a W-2 and/or 1099 to support the income used to qualify the loan, the following applies:

2023 W-2 and/or 1099 Forms		
Loans with a Note Dated On or After February 1, 2024		
Loan Program	1-Year	2-Years
Fannie Mae/Freddie Mac (DU/LPA indicates number of years required)	2023 W-2 and/or 1099	<ul style="list-style-type: none"> 2023 W-2/1099, and 2022 W-2/1099
FHA/VA/USDA	N/A	<ul style="list-style-type: none"> 2023 W-2/1099, and 2022 W-2/1099
Jumbo Gold, Jumbo Elite, Access, Elite Access (Access/Elite Access: Full Doc & 1099 Only options)	N/A	<ul style="list-style-type: none"> 2023 W-2/1099, and 2022 W-2/1099 and 2022 W-2/1099 transcript

In the event a borrower has not received their 2023 W-2/1099 by February 1st, Homebridge will consider an exception on a case-by-case basis

2023 W-2/1099 Transcripts (if required)

Homebridge will order W-2/1099 transcript when required by program **or** if selected for random transcript processing. The following dates apply **only in the event a transcript is required**.

Loans Funding on or before March 31, 2024:

- The 2023 W-2/1099 transcript not required

Loans Funding April 1, 2024, through April 30, 2024:

- The 2023 W-2/1099 transcript, **OR**
- 2023 “No Record Found”

Loans Funding on or after May 1, 2024:

- The 2023 W-2/1099 transcript required

2023 Tax Return Requirements

Federal law generally requires tax returns to be filed by April 15th unless an extension has been requested

Loans with a Note Dated on or after January 30, 2024

- A copy of the borrower's 2023 tax return, **OR**
- The borrower must sign the Tax Return Affidavit stating they have not filed their 2023 return

Loans Funding April 16, 2024 through October 14, 2024

The chart below indicates Homebridge requirements for tax returns based on whether or not one or two year's tax returns required and whether or not the borrower has filed their 2023 tax returns. The chart applies to all programs (as applicable) and to loans run through DU/LPA or are manually underwritten.

NOTE: Borrowers who filed an extension will be required to sign the Tax Return Affidavit that states they have not filed their 2023 tax return

Loans Funding On or After April 16, 2024 through October 14, 2024	
One Year Tax Return Required (when eligible per DU/LPA) Fannie Mae/Freddie Mac Transactions	
If:	Then:
2023 Tax Return Filed	<ul style="list-style-type: none"> • A copy of the fully executed 2023 tax return, AND • Evidence any money owed has been paid (cancelled check, credit card, bank statement), OR • Evidence a refund has been/will be received (bank statement if received) or verify refund at IRS Where's My Refund
2023 Tax Return Not Filed	<ul style="list-style-type: none"> • Evidence an extension was filed, AND • Signed Tax Return Affidavit, affirming 2023 tax returns not filed, AND • If payment due, evidence any money owed has been paid (cancelled check, credit card, bank statement), AND • A copy of the 2022 tax return
Two Years' Tax Returns Required (All programs unless DU/LPA allows for 1-year on Fannie Mae/Freddie Mac transactions)	
If:	Then:
2023 Tax Return Filed	<ul style="list-style-type: none"> • A copy of the fully executed 2023 tax return, AND • Evidence any money owed has been paid (cancelled check, credit card, bank statement), OR • Evidence a refund has been/will be received (bank statement if received) or verify refund at IRS Where's My Refund, AND • A copy of the 2022 tax return*
2023 Tax Return Not Filed	<ul style="list-style-type: none"> • Evidence an extension was filed, AND • Signed Tax Return Affidavit, affirming 2023 tax returns not filed, AND • If payment due, evidence any money owed has been paid (cancelled check, credit card, bank statement), AND • A copy of the 2022 and 2021 tax returns*

*As a reminder, USDA, Jumbo Gold, Jumbo Elite, Access, and Elite Access (Access/Elite Access: Full Doc and 1099 Only) transactions require tax transcripts in addition to tax returns

Loans Funding on or after October 15, 2024

- A copy of the borrower's 2023 tax return is required

Tax Transcript Requirements (if required)

Homebridge will order the tax transcripts for any transaction where transcripts are required by program **or** for transactions selected by Homebridge for random transcript processing.

The following dates apply **only** in the event a transcript is required:

Tax Return Transcripts (if required)
Any transaction that requires transcripts or were selected for random processing will require: Loans funding on or before April 15, 2024 <ul style="list-style-type: none">• No transcript requirement Loans funding on or after April 16, 2024 <ul style="list-style-type: none">• The 2023 transcript, OR• 2023 "No Record Found" AND 2022 transcript and 2021 transcript (2021 transcript only required when 2023 return not filed and transaction requires 2-years tax returns) REMINDER: "No Record Found" transactions requiring a transcript must follow requirements above

Tax Return Affidavit Requirements (when applicable)

- **Brokered Transactions**
 - When the Tax Return Affidavit is required, Homebridge will provide the Affidavit on transactions where Homebridge is drawing the loan documents
- **EB Transactions and Homebridge Prepares Loan Documents**
 - Homebridge will send the Tax Return Affidavit with the closing docs
- **NDC Transactions/EB Transactions and NDC/Fulfillment Provider Prepares Loan Docs**
 - The NDC/EB is responsible to provide the Tax Return Affidavit with the closing docs

The Tax Return Affidavit has been posted on the Homebridge website on the Forms page under General Forms

The updated Tax Documentation and Transcript Policy document as been posted on the Homebridge website at www.HomebridgeWholesale.com on the Working with Us page, under Reference Guides – General.

If you have any questions, please contact your Account Executive.