U.S. Bank Home Mortgage is pleased to announce that effective immediately, IRS Transcripts will no longer be required for W-2/salaried borrowers for Conventional Conforming, USDA, FHA and VA loans. Delegated Correspondents may use your own process to manage income validation risk on loans you underwrite and deliver to USBHM for purchase. A fully executed 4506-T form will still be required in all loan files.

For loans underwritten by USBHM, all loan files will require a form 4506-T and documentation from the IRS to validate the income used for qualification. Acceptable documentation includes:

- Hourly/salaried borrowers – the most recent available year’s IRS W-2 Transcript, Tax Transcript 1040 or Record of Account Transcript which is an additional transcript option that provides more detail (only one of these is required).
- Self-employed borrowers – require the most recent available one year’s 1040/Record of Account Transcripts as required per AUS findings.

The income used to qualify the borrower must be supported by the income reported on the tax transcripts from the IRS. Correspondents may provide the IRS Tax Transcript however in all cases, a 4506-T must still be contained in the loan file.

Please refer to the Underwriting/Credit Policy section of our Seller Guide for complete details.

Questions

Please refer to the [HFA Division Lending Guide](http://www.hfa.usbank.com) for information regarding the delivery and funding of loans through the HFA Division. From the home page, select "U.S. Bank Lending Manuals", then "Continue". If you experience problems accessing the guide you may need to temporarily allow pop-ups or add AllRegs as a favorite.

If you have questions regarding this Lender Operations Update, please contact the HFA Hotline at 800-562-5165, Option 2.

We appreciate your continued partnership.