

TOWNE Family of Companies

BULLETIN

TO: Operations & Productions

DATE: May 11, 2017

SUBJECT: 2016 Tax Transcripts

BULLETIN: 17-04

***** IMPORTANT NOTICE *****

2016 Transcripts will be required for all loans that will close on or after June 1, 2017

The following is our policy with respect to 2016 tax transcripts:

W/2 Transcripts only

- For loans requiring only W/2 transcripts – transcripts covering 2016 are required (if one year required or 2015 and 2106 if two years)
- If 2016 W/2 transcripts are not available because borrower has filed extension – then follow below:

Full returns required

If a borrower has filed an extension, we require:

- Evidence in the file that the extension was filed
- Along with 2016 Tax Transcript showing “No record of return filed”
- For commission borrowers: 2014 and 2015 transcripts (if two years required) or 2015 only (if one year required), and 2016 W-2.
- For self-employed borrowers: 2014 and 2015 transcripts (if two year required) or 2015 only (if one year required) AND a signed Profit and Loss statement for 2016 (does not need to be audited).
- For retired borrowers: In cases where the borrower is not required to file, transcripts are still required. If “No Results” feedback is received, provide a copy of the feedback in the Loan file with supporting income documentation.
- **Documentation evidencing any 2016 tax liability has been paid.**

Thank you,
Operations Group
Towne Family of Companies