



# Desktop Underwriter® (DU®) Messages Regarding Income Calculator – Frequently Asked Questions

## General

### 1. What is Income Calculator?

Income Calculator is an easy-to-use Fannie Mae-hosted service that leverages tax data to quickly calculate income for borrowers who are self-employed, are business owners or have rental properties consistent with Fannie Mae Selling Guide policy. Income Calculator helps originators correctly calculate income so they can make informed underwriting decisions, reduce origination cycle times, and reduce repurchase risk.

### 2. Is Income Calculator usage or Fannie Mae relief from enforcement of representations and warranties (rep & warrant relief) limited to certain loan types?

Income Calculator and any applicable rep & warrant relief is available for all conventional loans delivered to Fannie Mae, including: all loan purposes, all occupancy types, all LTVs, all property types, and all underwriting methods. Income Calculator was designed for conventional, conforming loans eligible for delivery to Fannie Mae. Lenders may use Income Calculator for other purposes without rep & warrant relief. Lenders should direct questions regarding Fannie Mae rep & warrant relief to their Fannie Mae account team or to [income\\_calculator@fanniemae.com](mailto:income_calculator@fanniemae.com).

### 3. Does Fannie Mae automatically use the Monthly Qualifying Income from Income Calculator in my DU submission?

No. To retain rep & warrant relief, originators must ensure the amount of self-employment, business ownership, or rental property income entered in DU (if any) is not more than the income amount calculated by Income Calculator.

### 4. How is Income Calculator's rep & warrant relief different than the DU validation service (DVS) offering Day 1 Certainty (D1C)?

DVS retrieves tax transcript data directly from authorized IRS tax transcript vendors, offering rep & warrant relief for the calculation and for data integrity. Income Calculator uses borrower-provided or user-imported tax data, offering rep & warrant relief only for the income calculation, not for data integrity. Because DVS and Income Calculator offer differing levels of rep & warrant relief, different confirmation messages are displayed in the DU Findings Report depending upon which service is used.



## Opting-In to Receive DU Messages

### 5. How do I get the Desktop Underwriter® (DU®) Findings Report to display messages confirming eligibility for Income Calculator rep & warrant relief?

Lenders may opt-in to receive DU Findings Report messages confirming eligibility for Income Calculator rep & warrant relief.

### 6. How do I opt-in to receive DU Findings Report messages confirming eligibility for Income Calculator rep & warrant relief?

An authorized point-of-contact must send an email request to [income\\_calculator@fanniemae.com](mailto:income_calculator@fanniemae.com). The request must include the lender's full name, 5-digit Fannie Mae Seller/Servicer number and the DU Institution ID(s) to opt-in. If you are unfamiliar with your DU Institution ID(s), please contact your Fannie Mae account team or [income\\_calculator@fanniemae.com](mailto:income_calculator@fanniemae.com).

### 7. Why am I required to opt-in? Is there a best practice for opting-in?

During the introductory period, some lenders may delay opting-in until their Loan Origination System (LOS), other technology service providers, or operational staff are ready. Generally, Fannie Mae recommends lenders to opt-in only after their LOS includes the Income Calculator ID (e.g. D123ABC) in the lender's DU submission. You should consult with your LOS or other technology service providers to understand their readiness.

### 8. When will the introductory period end?

An ending date has not been established. Lenders will be notified when the introductory period ends, and thereafter all lenders will receive DU messages confirming eligibility for Income Calculator rep & warrant relief, without opting-in.

### 9. If I don't opt-in, and there is no confirmation message in DU, do I still have rep & warrant relief for the Monthly Qualifying Income Amount calculated by Income Calculator?

Yes, Fannie Mae is providing an eligibility confirmation message on the DU Findings Report as an operational convenience in response to industry feedback. Whether or not an eligibility confirmation message is displayed on the DU Findings Report, the Monthly Qualifying Income Amount returned on the Income Calculator Findings Report is eligible for rep & warrant relief if the lender meets Selling Guide requirements.



## Association of Income Calculator ID with DU Income

### 10. How does an Income Calculator evaluation get associated with a DU income amount?

Income Calculator IDs are generated at the income level (one for each borrower who has self-employment/25%+ or business ownership/<25%, and one for each Schedule E rental property). There may be more than one Income Calculator ID associated with a single DU Casefile ID. Note: this is different than other associated third-party services identifiers like those for a credit report, UCPD, or VOA/VOE/VOI which may be associated at the loan level to the DU Casefile ID.

There are two methods to associate an Income Calculator evaluation with a DU income:

- The Income Calculator ID (e.g. D123ABC) may be associated with the specific employment or rental property as part of a DU submission (preferred method), or
- The DU Casefile ID may be associated with the Income Calculator evaluation as part of an Income Calculator submission (either from the Income Calculator web interface or a TSP).

### 11. Does my LOS have to send the Income Calculator ID with my DU submission in order for DU to display the rep & warrant eligibility messages?

No, if you have provided the DU Casefile ID in your Income Calculator submission, DU will likely match the Income Calculator evaluation(s) to the specific DU income sources using the employment start date or rental property data. However, in some cases, it may be helpful to have the Income Calculator ID included in your DU submission when borrowers have several rental properties or several sources of self-employment or business ownership income. Sending the Income Calculator ID in your DU submission is the preferred association method, and it is expected that all Fannie Mae-authorized TSPs making DU submissions will support this functionality over time.

If your LOS is not yet sending the Income Calculator ID with your DU submission, you may receive a DU message stating “*One or more Income Calculator evaluations are associated to this loan casefile but cannot be matched to a DU employer or rental property....*” Lenders may choose to opt-out (not receive DU messages confirming eligibility for Income Calculator rep & warrant relief) until their LOS and/or operational staff are ready.

LOS providers are working diligently to enhance their systems to ensure Income Calculator IDs are included in DU submissions. You should consult with your LOS or other technology service providers to understand their readiness.



## **12. How does DU know if an associated Income Calculator evaluation exists?**

For every DU submission, DU will search to determine if an associated Income Calculator evaluation exists. If an Income Calculator ID is included in your DU submission, Fannie Mae expects all applicable Income Calculator IDs are included in your DU submission. When an Income Calculator ID is included in a DU submission, Fannie Mae will not attempt to locate additional matching incomes using the DU Casefile ID.

## **13. On the DU web interface, where do I add the Income Calculator ID to my DU income?**

The Income Calculator ID for self-employment income can be added to the “Current Employment/Self-Employment and Income” section under the “1. Borrower Information” header. The Income Calculator ID for rental income can be added to the “Property Information” section under the “3. Real Estate Owned” header.

## **14. Which LOS screen should be used to provide the Income Calculator ID so it can be included with my DU submission?**

Each LOS is different and many lenders customize their LOS screens. Please contact your LOS provider or the LOS administrator at your organization to understand your specific situation. If you are using Income Calculator via an integrated TSP, they may provide a method to automatically associate the Income Calculator ID with the correct DU income.

## **15. The DU Message that indicates the Income Calculator ID cannot be matched to a DU employer or rental property recommends removing the DU Casefile ID from the Income Calculator evaluation if the income is not being used to qualify. How do I remove a DU Casefile ID from an Income Calculator submission?**

For evaluations created using the Income Calculator web interface, navigate to the Desktop Underwriter screen in the Income Calculator web interface and use the ‘trashcan’ icon to remove the DU Casefile ID association. Note: the Income Calculator ID cannot be removed from an Income Calculator evaluation that is “locked” or “hidden”.

For Income Calculator evaluations created via TSP, contact your TSP for guidance. Note: an Income Calculator evaluation created via TSP cannot be updated using the Fannie Mae web interface and you must perform all updates via the TSP.

## **16. If I send the Income Calculator ID (e.g. D123ABC) in the DU submission, do I still need to provide the DU Casefile ID in the Income Calculator evaluation prior to delivery?**

If a DU Casefile ID is available at the time of the Income Calculator submission, then providing the DU Casefile ID to Income Calculator is recommended, because Income Calculator will use non-NPI DU data to provide robust Income Calculator messages. To accommodate a variety of process flows, a DU Casefile ID will no longer be required at the time of Income Calculator submission if the Income Calculator ID (e.g. D123ABC) is provided in the DU submission.



## DU Messages vs. DU Validation Service (DVS) Messages

### 17. What DU message text displays for Income Calculator evaluations?

DU generates three different messages related to Income Calculator rep & warrant relief. One, two or all three of the Income Calculator confirmation messages may be displayed in a single DU Findings Report. See questions 21 and 22 for troubleshooting assistance.

- A message (#3743) will be generated when one or more Income Calculator IDs are confirmed to be eligible for rep & warrant relief for the calculated income amount. The message is followed by a table containing the Income Calculator ID, calculated income amount, and other relevant data including any conditions or additional documentation required for Income Calculator evaluation. In the event a loan has more than one self-employment, business ownership, or rental property income, each income should have its own Income Calculator ID and will have its own row in the table. The lender should review the full Income Calculator Findings Report to understand items listed on the “Lender Conditions” section of the table.

*An Income Calculator Findings Report has been matched to this Casefile ID. The calculated income amount for each Income Calculator Income listed below is eligible for representations and warranty enforcement relief associated with the income calculation provided that all information submitted to Income Calculator is accurate and complete, and that any necessary actions based on the Income Calculator Findings Report messages have been addressed. A lower income amount may be used to qualify. A copy of the Income Calculator Findings Report must be maintained in the loan file and can be used as the written analysis, in lieu of Form 1084 or rental income worksheet.*

- A message (#3745) will be generated when one or more Income Calculator IDs are not eligible for rep & warrant relief for the calculated income amount. The message is followed by a table containing the Income Calculator ID(s), calculated income amount, and other relevant data, including the reason rep & warrant relief was not provided. The lender should review the full Income Calculator Findings Report to understand items listed on the “Reason(s)” section of the table, if rep & warrant relief eligibility is wanted.

*An Income Calculator Findings Report has been matched to this Casefile ID. The calculated income amount is not eligible for representation and warranty enforcement relief for the reason(s) provided. Review the Income Calculator Findings Report for additional information.*

- A message (#3747) will be generated in the Observation section when:
  - One or more Income Calculator IDs are provided in the DU submission that cannot be matched to an evaluation in the Income Calculator database; or



- No Income Calculator IDs are provided in the DU submission, but the DU Casefile provided during an Income Calculator evaluation matches more than one self-employment, business ownership or rental property income in the DU submission.

The lender is not required to take any action to resolve this Observation message.

See questions 21 and 22 for troubleshooting assistance.

*One or more Income Calculator evaluations are associated to this loan casefile but cannot be matched to a DU employer or rental property. In order to be found, remove the DU casefile ID from any Income Calculator evaluation if the income is not being used to qualify, or ensure that the Income Calculator ID associated to the DU income source is provided in the loan casefile data, and resubmit the loan casefile to DU.*

### **18. There are messages (#3307 and #3313) in the DU Findings Report that indicate “DU could not validate borrower employment...” and “No report received by DU that validates this income”. Why are these messages displayed?**

The DU Validation Service (DVS) generates these messages when a borrower has self-employment and no VOI/E report was provided or income was not validated. These messages are unrelated to any Income Calculator evaluation.

Note: Income Calculator does not validate income or employment because it does not use direct-sourced data. Income Calculator provides rep & warrant relief for the income calculation (the math) not for data integrity.

### **19. There is a message in the DU Findings Report validating the DVS income amount and it is different than the Income Calculator income amount. How did that happen? Which one should I use?**

If you ordered a Verification of Income/Employment (VOI/E) from an authorized DVS TSP for a self-employed borrower with Sole Proprietor (Schedule C) income and also used Income Calculator for the same income, there could be two messages in the DU Findings Report, one from DVS and one from Income Calculator. There are several differences between Income Calculator and DVS which could cause differing income amounts, most notably:

- Some of the tax return data commonly used in self-employment income evaluation is not available from the tax transcript. The transcript is only a portion of the full tax return data. DVS uses the tax transcript and may return a lower qualifying income amount than Income Calculator, which requires data from the full tax returns.
- DVS may require use of two years of tax return data.



- DVS may not be able to match the business name on the loan application to the business name on the tax transcript. This is especially common when the borrower has Partnership or S-Corporation businesses.

If the loan qualifies using the DVS income, you may use that income amount, as it offers additional rep & warrant relief for data integrity.

## **20. Is the Income Calculator evaluation refreshed as part of the DU submission?**

Yes, a DU submission triggers an Income Calculator re-evaluation using the most recent Income Calculator data and the current, active DU submission data. For example, if an Income Calculator evaluation was performed on May 15<sup>th</sup> with a conventional DU Casefile ID, and the loan type was changed to FHA and submitted to DU on May 22<sup>nd</sup>, Income Calculator will re-evaluate the income on May 22<sup>nd</sup> using the most recent tax data available. Changing the loan from conventional to FHA will cause a change in the rep & warrant messages, even if the tax data used in the Income Calculator evaluation has not changed.

## **Troubleshooting**

### **21. Why did I get the message that indicates “One or more Income Calculator evaluations are associated to this loan casefile but cannot be matched to a DU employer or rental property...”**

The most common reason this message is displayed on the DU Finding Report is that there are no Income Calculator IDs in the DU submission, and there is more than one self-employment evaluation or more than one rental property evaluation in Income Calculator associated with the DU Casefile ID. The best resolution is to provide an Income Calculator ID in the DU submission for each income.

### **22. I am expecting to receive DU messages confirming eligibility for Income Calculator rep & warrant relief, but none appear; what could be wrong?**

There are several reasons why expected messages confirming eligibility for Income Calculator rep & warrant relief may be absent from the DU Findings Report.

Among the most common reasons are:

- DU employment start date is missing or does not match Income Calculator
- DU employment is not self-employed or business owner
- DU employment is previous not current
- DU income amount is zero \$0
- DU loan type is FHA or VA (not conventional)
- DU rental property status is not “Retained”
- DU rental property gross or net rent amount does not match Income Calculator
- DU case creation date prior to January 1, 2025



- There are no Income Calculator IDs in the DU submission, and the Income Calculator evaluation(s) are not associated with the DU Casefile ID. Resolve by providing an Income Calculator in the DU submission for each income.

## Technology Service Providers (TSPs)

### 23. What is the TSP's role?

Originators use TSPs to perform many important tasks. The two tasks that are relevant to understand in the context of this document are:

- a. Extracting data from borrower-provided tax returns and submitting it to Income Calculator (Income Calculator TSP) instead of the originator entering tax return data using the Income Calculator web interface, and
- b. Submitting loan data to DU (DU TSP) instead of the originator entering loan data using the DU web interface.

An originator may use multiple TSPs for their DU submissions. An originator may use multiple TSPs for their Income Calculator submissions. An originator may use a different TSP for their DU submissions than they use for their Income Calculator submissions.

The generation of DU messages regarding Income Calculator rep & warrant relief requires DU TSPs to update their DU submission file with additional information in accordance with the [May 2025 Integration Impact Memo](#). This includes system updates to provide the Income Calculator ID(s) properly joined to the appropriate self-employment or rental property. Testing of the DU TSPs system changes will be reviewed by Fannie Mae.

Originators are not required to perform DU message testing. Income Calculator TSPs are not required to perform DU message testing. DU TSPs are not expected to access Income Calculator or to make changes to Income Calculator evaluations. Note: an Income Calculator evaluation submitted by an Income Calculator TSP cannot be viewed or updated on the Income Calculator web interface.

Questions regarding Income Calculator evaluations or DU messages confirming Income Calculator rep & warrant relief eligibility can be sent to [Income\\_Calculator@FannieMae.com](mailto:Income_Calculator@FannieMae.com).

### 24. How are the DU TSP's system updates tested?

Fannie Mae has updated two of the standard files (C19 and C20) in its testcase suite to include Income Calculator data. Specific testing instructions, import files, expected results, and a results tracking spreadsheet are provided to DU TSPs. Two submissions and seven resubmissions are required for testing. DU Casefile IDs and submission numbers for each test result must be stored in the results tracking spreadsheet and shared with Fannie Mae.





DU TSPs may request testing documentation at [Income\\_Calculator@FannieMae.com](mailto:Income_Calculator@FannieMae.com).

## Resources

- [May 2025 Integration Impact Memo](#)
- [May 2024 Integration Impact Memo](#)

Customers requiring support to test DU messages regarding Income Calculator may contact us via email at [Income\\_Calculator@FannieMae.com](mailto:Income_Calculator@FannieMae.com).