2026 Annual Regulatory Threshold Adjustments: TILA, HOEPA, QM, HPML, Reg M & FCRA

Effective January 1, 2026, multiple federal consumer financial protection regulations will have updated dollar thresholds that affect coverage, disclosures, and product eligibility. These changes impact Truth in Lending (Regulation Z), HigherPriced Mortgage Loan (HPML) appraisal requirements, consumer leasing (Regulation M), Fair Credit Reporting Act (Regulation V) disclosures, and certain exemption thresholds. The CFPB and other federal agencies adjust these amounts annually based on changes in the Consumer Price Index, and institutions should ensure that systems and procedures are updated accordingly for the new year.

Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA, and Qualified Mortgages)

The CFPB has issued a final rule amending the regulation text and official interpretations for Regulation Z, which implements the Truth in Lending Act (TILA). This final rule revises the amounts for provisions implementing TILA and its amendments, including the Home Ownership and Equity Protection Act of 1994 (HOEPA), and the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act).

- **Minimum interest charge disclosure threshold (open-end credit):** The threshold that triggers requirements to disclose minimum interest charges for open-end consumer credit plans under the TILA will remain unchanged at $1.00 in 2026.

- **HOEPA high-cost mortgage thresholds:**
    - Total loan amount threshold: The adjusted total loan amount threshold for high-cost mortgages in 2026 will be $27,592.
    - Points and fees dollar trigger: The adjusted points-and-fees dollar trigger for high-cost mortgages in 2026 will be $1,380.

- **Qualified Mortgages-APR-APOR spread thresholds:** For qualified mortgages (QMs) under the General QM loan definition in § 1026.43(e)(2), the thresholds for the spread between the annual percentage rate (APR) and the average prime offer rate (APOR) in 2026 will be:
    - 2.25 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to $137,958;
    - 3.5 or more percentage points for a first-lien covered transaction with a loan amount greater than or equal to $82,775 but less than $137,958;
    - 6.5 or more percentage points for a first-lien covered transaction with a loan amount less than $82,775;

    - 6.5 or more percentage points for a first-lien covered transaction secured by a manufactured home with a loan amount less than $137,958;
    - 3.5 or more percentage points for a subordinate-lien covered transaction with a loan amount greater than or equal to $82,775;
    - or 6.5 or more percentage points for a subordinate-lien covered transaction with a loan amount less than $82,775.

- **Qualified Mortgages-total points and fees thresholds:** For all categories of QMs, the thresholds for total points and fees in 2026 will be:
    - 3% of the total loan amount for a loan greater than or equal to $137,958
    - $4,139 for a loan amount greater than or equal to $82,775 but less than $137,958
    - 5% of the total loan amount for a loan greater than or equal to $27,592 but less than $82,775
    - $1,380 for a loan amount greater than or equal to $17,245 but less than $27,592
    - 8% of the total loan amount for a loan amount less than $17,245

Federal Register :: Truth in Lending (Regulation Z) Annual Threshold Adjustments (Credit Cards, HOEPA, and Qualified Mortgages)

HPML Appraisal Exemption

The threshold for exempting loans from the special appraisal requirements for higher-priced mortgage loans (HPMLs) during 2026 has been increased from $33,500 to $34,200.

Federal Register :: Appraisals for Higher-Priced Mortgage Loans Exemption Threshold

Consumer Credit Transaction Threshold

The consumer credit threshold under Regulation Z for transactions not secured by real estate will increase to $73,400 in 2026, up from $71,900 in 2025. This threshold defines the upper limit for Regulation Z coverage of unsecured and non-real-estate consumer credit; transactions exceeding the threshold are generally excluded from the rule unless they fall into categories that are always covered.

This threshold does not apply to credit secured by real property, credit secured by a consumer's principal dwelling (including personal property used as the dwelling), or private education loans; these remain covered by Regulation Z regardless of the loan amount.

Federal Register :: Truth in Lending (Regulation Z)

Consumer Leasing

The consumer leasing threshold, found in Regulation M (12 CFR 1013.2), is also being increased to $73,400.

Federal Register :: Consumer Leasing (Regulation M)

Fair Credit Reporting Act Disclosures

The Bureau is amending Appendix O to Regulation V, which implements the FCRA, to establish the maximum allowable charge for disclosures by a consumer reporting agency to a consumer for 2026. **The maximum allowable charge for 2026 will be $16.00.**

Federal Register :: Fair Credit Reporting Act Disclosures

CCI suggests sharing this information with your lending, mortgage, and operations staff to ensure all loan origination and servicing platforms, pricing tools, and disclosures are updated with these thresholds for the new year. For any questions, please contact us at **inquiries@completecompli.com**.

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