0388 TREATMENT OF INCOME

0388.05 EARNED/UNEARNED INCOME EXCLUS

REV:06/1994

Certain exclusions apply only to EARNED income, some apply only to UNEARNED income and a few apply to BOTH earned and unearned income.

The following exclusions apply to both earned and unearned income: o

- Infrequent and irregular income exclusions;
- $20 per month General Income Exclusion; o
- PASS Exclusion.

0388.05.05 Infrequent/Irregular Income Exclusion

REV:06/1994

Income which is received infrequently and irregularly is excluded provided the total income of such exclusion does not exceed:

- $10/month of earned income; and/or, o
- $20/month of unearned income.

An individual receives income on an INFREQUENT basis if s/he receives it no more than once in a calendar quarter from a single source. An individual receives income on an IRREGULAR basis if s/he could not reasonably expect to receive it.

This exclusion can apply to both earned and unearned income in the same month provided the total of each does not exceed the allowed limits. Thus it is possible to exclude as much as $30 in a month under this provision.

0388.05.10 $20/Month General Income Disregard

REV:04/1995

The first $20 per month of unearned income is deducted from income. The $20 is applied to earned income only if the $20 cannot be applied to unearned income. The dollar amount of this exclusion is not increased when an eligible individual and eligible spouse both have income. An eligible couple receives one $20 exclusion per month.

0388.05.15 PASS Exclusions

REV:06/1994

Income, whether earned or unearned, of a blind or disabled recipient may be excluded if such income is needed to fulfill a Plan for Achieving Self-Support (PASS).

This exclusion does not apply to a blind or disabled individual age 65 or older, unless s/he was receiving SSI or State disability or blind payments for the month before s/he reached age 65.

0388.10 EARNED INCOME EXCLUSIONS

REV:06/1994

Earned income is never reduced below zero. Any unused earned income exclusion is never applied to unearned income. Any unused portion of a monthly exclusion cannot be carried over for use in subsequent months.

0388.10.05 $65 and 1/2 Earned Income Exclusion

REV:06/1994

If the applicant or spouse is employed, earned income of $65/month plus one-half (1/2) of the balance is excluded. When both eligible spouses are employed, this exclusion is applied to only one earned income.

Impairment Related Work Expenses

REV:06/1994

Impairment related work expenses are deducted provided:

- *The individual is under age 65 and disabled (but not blind), or received SSI as a disabled individual (or received disability payments under a former State plan) for the month before attaining age 65; and,*
- *The severity of the impairment requires the individual to purchase or rent items and services in order to work; and,*
- *The expense is reasonable; and,*
- *The cost is paid in cash (including checks, money orders, credit cards and/or charge cards) by the individual and is not reimbursable from another source (e.g. Medicare, private insurance); and,*
- *The payment is made in a month the individual receives earned income for a month in which s/he both worked and received the services or used the item, or the individual is working but makes a payment before the earned income is received.*

~~*The determination of the amount of the allowable work expense is an off-line evaluation. The allowable work expense is deducted from gross income.*~~

Blind Work Expenses

REV:06/1994

The following expenses related to a blind individual's employment are excluded:

- *TRANSPORTATION EXPENSES: Bus, cab fare, instructions for use of cane; cost/upkeep of guide dog; private automobile.*

- *JOB PERFORMANCE: Braille instruction; child care costs; equipment needed on job (e.g. for homebound work); instructions in grammar (if work related); licenses; lunch; prosthesis needed for work even though not related to blindness; optical aids; reader; safety shoes; income (federal, state, local) taxes; FICA taxes; self-employment taxes; translation of material into braille; uniforms and care of them; union dues; wheelchair if necessary due to other disability.*

- *JOB IMPROVEMENT: Computer program training, key punch training, stenotype instructions for blind typist. Further expenses are disregarded if the individual has an approved plan for self support. The amounts must be reasonable and not exceed the earned income of the blind individual or a blind spouse.*

The determination of the amount of the allowable work expense is an off-line evaluation. The allowable work expense is deducted from gross income.

0388.10.20 Earned Income Tax Credit Exclusion

REV:06/1994

The earned income tax credit (EITC) is a special tax credit which reduces the Federal tax liability of certain low income working taxpayers. This tax credit may or may not result in a payment to the taxpayer. EITC payments can be received as an advance from the employer or as a refund from the IRS.

Income from any EITC received January 1, 1991 or later is excluded, regardless of the tax year involved.

0388.10.25 Child Student Earned Income Exclusion

REV:06/1994

For a blind or disabled child who is a student regularly attending school, up to $400/month of earned income (but not more than $1620 in a calendar year) is excluded.

~~*The exclusion is applied only to the child's income. The child must be under age 22 and regularly attending school. Regularly attending school means the child was a student in at least one month of the current calendar quarter, or expects to attend school for at least one month in the next calendar quarter.*~~

~~0388.15 TREATMENT OF UNEARNED INCOME~~

~~*REV:06/1994*~~

~~*Exclusions never reduce unearned income below zero. Except for the $20 general unearned income exclusion, no other unused unearned income exclusion may be applied to earned income.*~~

~~0388.15.05 Distinguishing IBON and ABON~~

~~*REV:06/1994*~~

~~*Income Based On Need (IBON) is assistance provided under a program which uses income as a factor of eligibility and is funded wholly or partially by the Federal government or a non-government agency (e.g. Catholic Charities or the Salvation Army) for the purpose of meeting basic needs.*~~

~~*Income Based on Need is COUNTED as income dollar for dollar UNLESS it is totally excluded by statute (e.g. Food Stamps) or excluded under PASS.*~~

~~*Assistance Based On Need (ABON) is assistance provided under a program which uses income as a factor of eligibility and is funded wholly by a State. (If a program uses income to determine payment amount but not eligibility, it is not ABON.) Assistance Based on Need is EXCLUDED from income. (Note that State supplementary payments made to refugees are considered to be ABON even if the Federal government reimburses the State).*~~

~~*In short, ABON is excluded from income and IBON is counted as income dollar for dollar unless excluded under PASS or by statute.*~~

~~0388.15.10 AFDC Under a PASS~~

~~*REV:06/1994*~~

~~*AFDC payments under a PASS are excluded. However, AFDC payments are based on need; and, unless excluded under a PASS, are counted dollar for dollar as income. The $20 general income exclusion does not apply to this income.*~~

~~*AFDC makes a payment to family unit rather than to an individual.*~~

~~*The payment is frequently referred to as a grant. An individual who meets the eligibility requirements for AFDC and SSI may choose the*~~

program under which s/he prefers to receive benefits. However, if the individual receives SSI, s/he may no longer be included in the AFDC grant.

Foster Care Payments

REV:06/1994

An individual is considered to be in foster care when:

- A public or private (nonprofit) agency places an individual under a specific placement program; and,
- The placement is in a home or a facility which is licensed or otherwise approved by the State to provide care; and,
- The placing agency retains responsibility for continuing supervision of the need for such placement and the care provided.

Foster care payments made to the provider of foster care is not income to the provider.

0388.15.15.05 Effects of Foster Care Payments

REV:06/1994

Foster Care payments made under Title IV-E are federally funded income based on need (IBON) to the child in care. This income is not subject to the $20 general exclusion. The total payment is counted dollar for dollar.

Foster Care payments involving funds provided under Title IV-B or Title XX of the Social Security Act are social services and are excluded from the foster child's income.

0388.15.20 Adoption Assistance

REV:06/1994

Adoption Assistance Programs provide payments and/or services for children for whom unassisted adoption is unlikely because of age, ethnic background, physical, mental, or emotional disability etc.

The income of either the adopting parent, the adopted child or both may have been considered in determining the amount of the adoption assistance.

Adoption assistance provided by States under Title IV-E of the Social Security Act involves Federal funds and is needs-based.

Under IV-E there is no income test for the adopting parents. The law requires that the child, to be eligible for federally funded foster care must be AFDC or SSI eligible (but not necessarily receiving AFDC or SSI) at the time adoption proceedings are initiated, and meet the additional criterion of special needs.

Adoption assistance cash payments made to adoptive parents under Title IV-E are federally funded income based on need (IBON) to the adopted child. This income is not subject to the $20 general exclusion and is counted dollar for dollar.

0388.15.25 Support Payments

REV:06/1994

Alimony and support payments are cash or in-kind contributions to meet some or all of a person's need for food, clothing or shelter.

Support payments may be made voluntarily or because of a court order. Alimony is an allowance made by the court from the funds of one spouse to the other spouse in connection with a suit for legal separation or divorce.

Alimony, spousal and other adult support payments are unearned income to the parent.

Child support payments are unearned income to the child. However, one-third of a child support payment made to or for an eligible child by an absent parent is excluded.

A parent is considered absent if the parent and the child do not reside in the same household. If there are brief periods of living together, the parent is considered absent if the child remains independent or under the care and control of another person, agency or institution, or is living in the home of another unless the parent retains parental control and responsibility.

A parent is not considered absent if he is away due to employment (except for military service), intends to resume living with the child, and retains parental responsibility and control.

0388.15.30 Grants, Scholarships, Fellowship

REV:06/1994

Grants, scholarships, and fellowships are amounts paid by private, nonprofit agencies, the U.S. Government, instrumentalities or agencies of the U.S., State and local governments and private concerns to enable qualified individuals to further their education and training or research work.

Any portion of a grant, scholarship or fellowship used to pay tuition, fees or other necessary educational expenses is excluded from income. This exclusion does not apply to any portion set aside or actually used for food, clothing or shelter.

Allowable expenses include carfare, stationery supplies, and impairment related expenses necessary to attend school or perform schoolwork. Allowable fees include laboratory fees, student activity fees, etc.

0388.15.35 Student Loans

REV:06/1994

Federal funds or insurance are provided for educational programs at middle school, secondary school, undergraduate and graduate levels under Title IV of the Higher Education Act and student assistant programs of the Bureau of Indian Affairs.

Any grant, scholarship or loan to an undergraduate student for educational purposes made or insured under any program administered by the Commissioner of Education is excluded from income and resources.

Any portion of student financial assistance for attendance costs received from a program funded in whole or in part under Title IV of the Higher Education Act of 1965 or under BIA Student Assistance Programs is excluded from income and resources.

Attendance costs are:

- *Tuition and fees normally assessed a student carrying the same academic workload (as determined by the institution) required of all students in the same course of study;*
- *Allowances for books, supplies, transportation and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution.*

0388.15.40 Interest Earned on Burial Fund

REV:06/1994

Interest earned on the value of excluded burial funds is excluded from income (and resources) if left to accumulate in the burial fund.

Interest earned on agreements representing the purchase of an excluded burial space is excluded from income (and resources) if left to accumulate.

THIS INCOME EXCLUSION APPLIES ONLY IF THE BURIAL FUND OR SPACE PURCHASE AGREEMENT IS EXCLUDED AT THE TIME THE INTEREST IS PAID.

Appreciation in value and the interest must be left to accumulate to be excluded from income. If not left to accumulate (e.g. paid directly to the individual, spouse or parent), the receipt of the interest may result in countable income.

0388.15.45 Gifts of Domestic Travel Tkts

REV:06/1994

The value of a ticket for domestic travel received by an individual (or spouse) is excluded from income and, if retained, is not a resource if:

- The ticket is received as a gift; and,
- The ticket is not converted to cash.

0388.15.50 Death Benefits

REV:06/1994

A death benefit is something received as the result of another's death.

Examples of death benefits are:

- Proceeds of a life insurance policy received due to the death of the insured;
- Lump sum death benefit from SSA;
- Railroad Retirement burial benefits;
- VA burial benefits;
- Inheritances in cash or in kind;
- Cash or in-kind gifts given by relatives, friends or a community group to "help out" with expenses related to the death.

NOTE: Recurring survivor benefits such as those received under Title II, private pension programs etc. are not death benefits.

Death benefits are excluded to the extent the beneficiary paid the expenses of the deceased's last illness and burial expenses.

Last illness and burial expenses include:

- Related hospital and medical expenses;
- Funeral, burial plot and internment expenses;
- Other related expenses.

Home Energy Assistance Payment

REV:06/1994

Home energy or support and maintenance assistance is excluded if it is certified in writing by the appropriate State agency to be both based on need and:

- Provided in-kind by a private nonprofit agency; or,

- *Provided in cash or in kind by a supplier of home heating oil or gas, a utility company providing home energy, or a municipal utility providing home energy.*

State certification may be in the form of an individual certification of a particular case, or a "blanket" certification of a program or organization.

The exclusion applies to assistance provided for:

- *An SSI applicant/recipient;*
- *A member of the SSI applicant/recipient's household; or,*
- *An SSI applicant/recipient's spouse, parent(s), sponsor (sponsor's spouse) or essential person.*

0388.15.60 Disaster Assistance

REV:06/1994

At the request of a State governor, the President may declare a major disaster when the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and local governments, and federal assistance is needed.

Assistance provided to the victims of a presidentially declared disaster area includes assistance from:

- *Federal programs and agencies;*
- *Joint Federal and State programs;*
- *State or local government programs;*
- *Private organizations (e.g. the Red Cross).*

The value of support and maintenance in cash or in-kind is excluded from countable income if:

- *The individual lived in a household maintained as the home at the time the disaster occurred in the area; and,*
- *The President declared the area a Federal disaster area; and,*
- *The individual stopped living in the home because of the disaster and began to receive support and maintenance within 30 days after the catastrophe; and,*
- *The individual receives support and maintenance while living in a residential facility maintained by another person. A residential facility is to be interpreted broadly, to mean a private household, a shelter, or any other temporary housing arrangement as a result of the disaster.*

Federal Housing Assistance

REV:06/1994

The Federal Government provides many forms of housing assistance through the Office of Housing and Urban Development (HUD) and the Farmers' Home Administration. The forms of housing assistance include:

- *Subsidized housing (e.g. public housing, reduced rent, cash towards utilities etc.);*
- *Loans for renovations;*
- *Loans for construction, improvement, or replacement of farm homes and other buildings;*
- *Mortgage or investment insurance;*
- *Guaranteed loans and mortgages.*

This assistance may be provided directly by the Federal Government or through other entities such as local housing authorities, nonprofit organizations etc.

The value of any assistance paid with respect to a dwelling unit is excluded from income and resources if paid under:

- *The United States Housing Act of 1937;*
- *The National Housing Act;*
- *Section 101 of the Housing and Urban Development Act of 1965;*
- *Title V of the Housing Act of 1949; or,*
- *Section 202(h) of the Housing Act of 1959.*

Food Programs with Fed Involve

REV:06/1994

Food and assistance provided by the following Federal programs are excluded from income (and resources):

- *Food Stamp Program;*
- *School Lunch program;*
- *Child Nutrition programs;*
- *Nutrition Programs for Older Americans.*

The following may be assumed to have Federal involvement and to be excludable under Federal statutes:

- *Meals and milk provided at reduced rates or free to children in schools and service facilities such as day care centers, recreational facilities or recreation centers;*
- *Meals provided for free or at reduced rates to senior citizens by a center or project under the auspices of a State or local government or nonprofit program for the aging;*
- *U.S.D.A. food commodities distributed by any program;*
- *Food stamps and cash which has been verified as the value of the food stamps provided in lieu of the stamps;*
- *WIC distributions to pregnant women and children.*

0388.15.75 Refugee Cash Assistance

REV:06/1994

Refugee Cash Assistance, Cuban and Haitian Cash Assistance, and federally reimbursed general assistance payments to refugees may be excluded under a PASS.

If not excluded under a PASS, it is federally funded income based on need (IBON) and counted dollar for dollar as income. The $20 general income exclusion does not apply to this income.

0388.15.80 Relocation Assistance

REV:06/1994

Relocation assistance is provided to persons displaced by projects which acquire real property. Relocation assistance provided to persons displaced by any Federal, federally assisted, State, State- assisted or locally assisted project is excluded.

The following types of relocation assistance may be provided:

- *Moving expenses;*
- *Reimbursement for losses of tangible property;*
- *Expenses of looking for a business or farm;*
- *Displacement allowance;*
- *Amounts required to replace a dwelling over the acquisition cost for the prior dwelling to the project or agency;*
- *Compensation for increased interest cost and other debt service costs of a replacement dwelling (if encumbered by*

~~*a mortgage);*~~

- ~~*Expenses for closing costs (but not prepaid expenses) on replacement dwelling;*~~
- ~~*Rental expenses for displaced tenants;*~~
- ~~*Amounts for downpayments on replacement housing for tenants who decide to buy;*~~
- ~~*Mortgage insurance through Federal Programs with Waiver or requirements of age, physical condition, or personal characteristics etc., which borrowers must usually meet; and,*~~
- ~~*Direct provision of replacement housing (as a last resort).*~~

~~Certain Reparation Payments~~

~~*REV:06/1994*~~

~~*Reparation payments which are excluded from income are:*~~

- ~~*Reparation payments received from the Federal Republic of Germany;*~~
- ~~*Austrian social insurance payments based in whole or in part on wage credits granted under the Austrian General Social Insurance Act;*~~
- ~~*Restitution payments made by the U.S. Government to individual Japanese Americans (or if deceased, their survivors) and Aleuts who were interned or relocated during World War II;*~~
- ~~*Agent Orange settlement payments.*~~

~~Miscellaneous Exclusions~~

~~*REV:06/1994*~~

~~*The following sources of unearned income are excluded from countable income when determining MA eligibility for individuals and couples:*~~

- ~~*Victim Compensation Payment which is any payment received from a fund established by a State to aid victims of crime;*~~
- ~~*Home Produce which is consumed by the individual or the individual's household; and,*~~
- ~~*Refund of Taxes Paid on Real Property or Food.*~~

0388.15.95 Non-SSA Statutory Exclusions

REV:06/1994

Many Federal statutes in addition to the Social Security Act provide assistance or benefits for individuals and specify that the assistance or benefit will not be considered in deciding eligibility for SSI. These statutes are listed and placed in categories according to the kind of income or assistance they provide. The list gives the name of the Federal statute (where possible), the public law number, and the citation. Each item briefly describes what the statute provides that will not reduce or eliminate an SSI payment.

FOOD

- *Value of food coupons under the Food Stamp Act of 1977, section 1301 of Pub. L. 95-113 (91 Stat. 968, 7 U.S.C. 2017(b)).*

- *Value of federally donated foods distributed under section 32 of Pub. L. 74-320 (49 Stat. 774) or section 416 of the Agriculture Act of 1949 (63 Stat. 1058, 7 CFR 250.6(e)(9)).*

- *Value of free or reduced price food for women and children under the*

  - *(1) Child Nutrition Act of 1966, section 11(b) of Pub. L. 89-642 (80 Stat. 889, 42 U.S.C. 1780(b)) and section 17 of that Act as added by Pub. L. 92-433 (86 Stat. 729, 42 U.S. C. 1786); and,*

  - *(2) National School Lunch Act, section 13(h)(3), as amended by section 3 of Pub. L. 90-302 (82 Stat. 119, 42 U.S.C. 1761(h)(3)).*

HOUSING AND UTILITIES

- *Assistance to prevent fuel cut-offs and to promote energy efficiency under the Emergency Energy Conservation Services Program or the Energy Crisis Assistance Program as authorized by section 222(a)(5) of the Economic Opportunity Act of 1964, as amended by section 5(d)(1) of Pub. L. No. 93-644 and section 5(a)(2) of Pub. L. 95-568 (88 Stat. 2294 as amended, 42 U.S.C. 2809(a)(5)).*

- *Fuel assistance payments and allowances under the Home Energy Assistance Act of 1980, section 313(c)(1) of Pub. L. 96-223 (94 Stat. 299, 42 U.S.C. 8612(c)(1)).*

- *Value of any assistance paid with respect to a dwelling unit under*

  - *(1) The United States Housing Act of 1937;*

  - *(2) The National Housing Act;*

- (3) Section 101 of the Housing and Urban Development Act of 1965; or,

- (4) Title V of the Housing Act of 1949.

Note: This exclusion applies to a sponsor's income only if the alien is living in the housing unit for which the sponsor receives the housing assistance.

- Payments for relocating, made to persons displaced by Federal or federally assisted programs which acquire real property, under section 216 of Pub. L. 91-646, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1902, 42 U.S.C. 4636).

EDUCATION AND EMPLOYMENT

- Grants or loans to undergraduate students made or insured under programs administered by the Secretary of Education under section 507 of the Higher Education Amendments of 1968, Pub. L. 90-575 (82 Stat. 1063).

- Any wages, allowances, or reimbursement for transportation and attendant care costs, unless excepted on a case-by-case basis, when received by an eligible handicapped individual employed in a project under title VI of the Rehabilitation Act of 1973 as added by title II of Pub. L. 95-602 (92 Stat. 2992, 29 U.S.C. 795(b)(c)).

NATIVE AMERICANS

- Revenues from the Alaska Native Fund paid under section 21(a) of the Alaska Native Claims Settlement Act, Pub. L. No. 92-203 (85 Stat. 713, 43 U.S.C. 1620(a).

Note: This exclusion does not apply in deeming income from sponsors to aliens.

- Indian tribes -- Distribution of per capita judgment funds to members of

- (1) The Blackfeet and Gros Ventre Tribes under section 4 of Pub. L. No. 92-254 (86 Stat. 265, 25 U.S.C. 1264) and under section 6 of Pub. L. No. 97-408(96 Stat. 2036);

- (2) The Papago Tribe of Arizona Indians under section 8(d) of Pub. L. No. 97-408 (96 Stat. 2038);

- (3) The Grand River Bank of Ottawa Indians in Indian Claims Commission docket numbered 40-K under section 6 of Pub. L. No. 94-540 (90 Stat. 2504);

Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.

(4) Tribes or groups under section 7 of Pub. L. No. 93-134 (87 Stat. 468, 25 U.S.C. 1407);

Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.

(5) The Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation as authorized by section 2 of Pub. L. No. 95-433 (92 State. 1047, 25 U.S.C. 609c-1);

(6) The Wyandot Tribe of Indians under section 6 of Pub. L. No. 97-371 (96 Stat. 1814, 42 U.S. C. 1305);

(7) The Shawnee Tribe of Indians under section 7 of Pub. L. No. 97-372 (96 Stat. 1816, 42 U.S.C. 1305);

(8) The Indians of the Miami Tribe of Oklahoma and Indiana under section 7 of Pub. L. 97-376 (96 Stat. 1829, 42 U.S. C. 1305);

(9) The Clallam Tribe of Indians under section 6 of Pub. L. 97-402 (96 Stat. 2021);

(10) The Pembina Chippewa Indians under section 9 of Pub. L. No. 97-403 (96 Stat. 2025);

(11) The Confederated Tribes of the Warm Springs Reservation under section 4 of Pub. L. No. 97-436 (96 Stat. 2284);

Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.

(12) The Red Lake Band of Chippewa Indians under section 3 of Pub. L. No. 98-123 (97 Stat. 816); and

(13) The Assiniboine Tribe of Fort Peck Montana under section 5 of Pub. L. No. 98-124 (97 Stat. 818, 42 U.S.C. 1305) and the Assiniboine Tribe of Fort Belknap under section 5 of Pub. L. No. 98-124 (97 Stat. 818, 42 U.S.C. (1305) and section 6 of Pub. L. No. 97-408 (96 Stat. 2036).

o *Receipts from land held in trust by the Federal government and distributed to members of certain Indian tribes under section 6 of Pub. L. No. 94-114 (89 Stat. 579).*

Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.

(1) The Pueblo of Santa Ana Indians of New Mexico under section 6 of Pub. L. No. 95-498 (92 Stat. 1677, 42 U.S.C. 1305);

(2) The Pueblo of Zia Indians of New Mexico under section 6 of Pub. L. No. 95-499 (92 Stat. 1680, 42 U.S.C. 1305); and

(3) The Shoshone and Arapahoe Tribes of the Wind River Reservation of Wyoming under section 2 of Pub. L. No. 98-64 (97 Stat. 365, 25 U.S.C. 117).

- *Revenues from the Maine Indian Claims Settlement Fund and the Maine Indian Land Acquisition Fund paid under section 5 of the Maine Indian Claims Settlement Act of 1980, Pub. L. No. 96-420 (94 Stat. 1796, 25 U.S.C. 1728(c)).*

  Note: This exclusion applies to the income of sponsors of aliens only if the alien lives in the sponsor's household.

OTHER

- *Compensation provided volunteers in the foster grandparents program and other similar programs, unless determined by the Director of the Action Agency to constitute the minimum wage, under sections 404(g) and 418 of the Domestic Volunteer Service Act of 1973 (87 Stat. 409, 413), as amended by Pub. L. No. 96-143; (93 Stat. 1077); 42 U.S.C. 5044(g) and 5058).*

  Note: This exclusion does not apply to the income of sponsors of aliens.

- *Any assistance to an individual (other than wages or salaries) under the Older Americans Act of 1965, as amended by section 102(h)(1) of Pub. L. 95-478 (92 Stat. 1515, 42 U.S.C. 3020a).*

0388.20 RENTAL PROPERTY INCOME

REV:06/1994

If the applicant reports income from property, the AP-759 is completed and signed by the applicant. For individuals and couples (SSI-related), net income from rental property or roomer/boarders is normally unearned income. (In rare instances in which an individual makes his/her living in the real estate or boarding home business, the rental income may be earned income. Any questions regarding classification of rental income are referred by memorandum to the Regional Manager).

0388.20.05 Rental Inc, Ind Lives in Prop

REV:06/1994

If the applicant/recipient owns and lives in a multiple family dwelling, the agency representative must pro-rate the allowable expenses based on the number of rental units.

Allowable expenses are:

- *Interest payment on the mortgage(s);*
- *Insurance;*
- *Taxes;*
- *Water and sewer charges and assessments;*
- *Utilities provided to the tenant as part of the rent and billed to the applicant for the building as a whole.*

To determine the countable UNEARNED income from rental property which is also the home of the applicant:

- *The monthly rental income from all units is totaled;*
- *The expenses that the client incurs for the building as a whole are determined;*
- *All expenses are converted to monthly amounts and totaled. The allowable expenses on the basis of the number of rental units to the number of dwelling units in the building are pro-rated. For example, an applicant renting one unit in a two-family house may deduct one-half of the allowable expenses; an applicant occupying a three-family house may deduct two-thirds of the allowable expenses;*
- *The cost of the tenant's utilities, if billed to and paid by the applicant separately from the applicant's own utilities are determined and may be deducted in full;*
- *The allowable deductions from the rental income are totaled to determine the countable unearned income.*

0388.20.10 Rental Inc, Prop is Not Home

REV:06/1994

The property must first be evaluated as a resource. The value of the property combined with the value of other resources must not exceed the resource limit. If the resources are within the limit, all the allowable expenses are deducted from the gross rental income to determine the countable rental income of the applicant/recipient.

~~*Allowable expenses are:*~~

- ~~*Interest payments on the mortgage(s);*~~
- ~~*Insurance;*~~
- ~~*Taxes;*~~
- ~~*Water and sewer charges and assessments.*~~

~~0388.20.15 Roomer or Roomer/Boarder Inc~~

~~*REV:06/1994*~~

~~*ROOMER INCOME*~~

~~*An individual may rent one or more rooms of his/her single family home or apartment. If the applicant/recipient has roomer income, allowable expenses are pro-rated based on the number of rented rooms to the total number of rooms in the house. Bathrooms, unfinished attics and basements do not count in determining total rooms. For example, if a house with six rooms has one room rented, one-sixth of the allowable expenses are deducted from the gross roomer income. The balance after deduction of the pro-rated expenses is countable unearned income.*~~

~~*ROOMER/BOARDER*~~

~~*The applicant/recipient may provide meals in addition to lodging.*~~

~~*If so, the allowable expenses which are deducted from the roomer/boarder income may include the cost of providing food. To reflect the added cost of providing food, the Food Stamp Program "Maximum SNAP Allotment" amount is deducted for the number of roomer/boarders. (See SNAP Manual, Sec. 1038).*~~

~~0388.25 VA PAYMENTS~~

~~*REV:06/1994*~~

~~*The Department of Veterans Affairs (VA) has numerous programs which make payments to Supplemental Security Income (SSI) recipients and their families. For SSI purposes, treatment of those VA payments depends on the nature of the payments.*~~

~~*The most common types of payments and their treatment is the following:*~~

- ~~*VA PENSION PAYMENTS are income based on need and the $20 general income exclusion does not apply;*~~
- ~~*VA COMPENSATION PAYMENTS, which are made on the basis of a service-connected disability or death, are unearned income subject to the $20 general income exclusion if made to the veteran, spouse, child or widow(er). VA compensation payments made to a surviving parent of a*~~

veteran are federally funded income based on need and the $20 general income exclusion does not apply;

- VA AID AND ATTENDANCE ALLOWANCES, which are paid to veterans, spouses of disabled veterans and surviving spouses in regular need of the aid and attendance of another person, or who are housebound, is excluded. This allowance is combined with the individual's pension or compensation payment;

- VA EDUCATIONAL BENEFITS are provided under a number of different programs, including vocational rehabilitation. Payments made as part of a VA program of vocational rehabilitation is excluded. Any VA educational benefit or portion of such a payment which is funded by the government, and is not part of a program of vocational education, is unearned income.

  Some VA educational assistance programs are "contributory". The money is contributed to an educational fund and the government matches the money when it is withdrawn while the veteran is pursuing an education. Any portion of a VA educational benefit which is a withdrawal of the veteran's own contributions is a conversion of a resource and is not income.

- VA CLOTHING ALLOWANCES related to the use of a prosthetic or orthopedic appliance, payable in August of each year to a veteran with a service connected disability, is excluded.

0388.30 Sponsor Deeming

REV:01/2007

Sponsorship deeming will be implemented effective July 1, 2007.

Under deeming provisions, the income and resources of the

sponsor(s)
are counted as available and received, even if not in fact received, by the applicant. Income and resources of the sponsor(s) and of the sponsor's spouse (when living together) are counted when determining the income and resources of the non-citizen applicant.

Deeming applies ONLY to Lawful permanent residents (LPR) who:

- 0 Entered the U.S. or were granted LPR status on or after 12/19/97; and

- 0 Were sponsored by an individual or individuals (family-based immigrants and some employment based immigrants whose employer is a family owned business); and

- 0 Whose sponsors signed new, legally binding affidavits of support (USCIS Form I-864).

~~Deeming continues until the individual:~~

~~a) Attains U.S. citizenship; or~~

~~b) Can be credited with forty (40) quarters of work as defined under Title II of the Social Security Act, provided that no credit is given for any quarter after 12/31/96 in which any federal means tested benefit was received.~~

~~Deeming provisions may be waived in some circumstances. See Section 0304.05.90.~~

~~If the applicant is unable to supply a copy of the USCIS Sponsorship Affidavit, or if further verification or information is needed from USCIS, the agency representative shall offer to assist the applicant in obtaining this information directly from USCIS. USCIS Form G-639 may be sent directly to USCIS with the applicant's written permission. It is the responsibility of the applicant to provide information and documentation of the sponsor's income and resources.~~

~~Resources belonging to the sponsor(s) and/or the sponsor's spouse, if living together, which would be countable under MA program provisions are deemed available to the immigrant and are a countable resource in determining MA eligibility.~~

~~The amount of income deemed to the applicant is calculated as follows:~~

~~1. Add the total of the sponsor's unearned and earned income, after applying applicable MA income exclusions. If there are two sponsors and they are married and living together, combine their incomes and perform a single computation. If they are not married, perform separate deeming computations.~~

~~2. From this total, subtract:~~

~~a) An allocation for the sponsor equal to the monthly FBR for an individual (See Section 0362.05 for FBR amount); plus~~

~~b) An allocation for the sponsor's spouse, if living together, equal to one-half the FBR for an individual; OR an allocation for the sponsor's spouse who is also a co-sponsor of the applicant, equal to the FBR for an individual; plus~~

~~c) An allocation equal to one-half the FBR for an individual for each dependent of the sponsor. If the spouses are both sponsors of the applicant, only one allocation is given for each dependent, even if the person is a dependent of both spouses.~~

~~A dependent's income is not subtracted from the sponsor's dependent's allocation.~~

~~*3. The difference between the total income (1) and the total allocations (2) is deemed as unearned income to the applicant. This deemed income is added to the applicant's own income to determine MA eligibility.*~~