



TANF 502-1 Earned Income

Supersedes: TANF 502-1 (12/01/19)

Reference: ARM 37.78.402, .415 and .421

Overview: All earned income received by the filing unit is considered when determining eligibility for TANF. All earned income, whether countable or excluded according to policy, is entered appropriately on CHIMES.

1099-K Income:

Income received through apps such as PayPal, Venmo, Cash App, Facebook Pay, etc. may be countable or excluded depending upon the source.

ADVANCES ON WAGES:

Advanced wages are countable in the month received when the advance is anticipated.

The amount withheld out of subsequent paychecks to repay the advance is excluded income, even if the advance was not counted when it was received.

AMERICORPS and AMERICORPS VISTA:

AmeriCorps NCC, AmeriCorps 'direct', and AmeriCorps VISTA administers several different programs. The funding source must be verified if questionable. AmeriCorps NCC currently does not administer any programs in Montana. Payments from programs administered by AmeriCorps 'direct' are excluded. NOTE: Montana Conservation Corps is a program administered by AmeriCorps 'direct' and payments are excluded.

AmeriCorps VISTA payments, also known as VISTA (Volunteers in Service to America under Title I of the Domestic Volunteer Services Act of 1973) are excluded for individuals receiving TANF benefits. AmeriCorps VISTA payment should be identifiable as an AmeriCorps VISTA stipend.

ATTENDANT CARE PAYMENT:

Attendant care payments paid by an outside source to the attendant care provider for a disabled/elderly household filing unit member are earned income. Attendant care payments paid from the outside

source to the disabled/elderly household member receiving the care is an excluded reimbursement and countable earned income to the attendant care provider. The payment is not counted twice.

BONUS PAY:

Bonus pay is countable earned income.

CENSUS INCOME:

Income received from temporary census employment is excluded.

COMMISSION:

Commission is considered countable earned income in the month it is received, if it can be prospected.

CONTRACTUAL INCOME:

Income received from an employment contract is averaged over the period of the contract.

DISPLACED HOMEMAKER:

The income received from the state displaced homemaker program is considered countable earned income.

DOMESTIC VOLUNTEER SERVICE ACT:

The following payments to volunteers are excluded.

1. Title II Retired Senior Volunteer Program (RSVP) and Foster Grandparents.
2. Foster Grandparent Program payments for reimbursement or advance of travel expenses or for supportive services.
3. Title III Service Corps of Retired Executives (SCORE), Senior Companion Program and Active Corps of Executives (ACE).
4. Senior Demonstration Project

EARNED INCOME OF CHILDREN:

Earned income of a dependent child (18 or younger) attending elementary or high school is excluded; earnings are countable when the dependent child is not attending school.

Any attendance at elementary or high school qualifies a child as a student and wages are excluded earned income.

EARNED INCOME TAX CREDIT:

Earned income tax credit payments received as advance payments or as a refund are excluded earned income.

EXTERNSHIPS:

Earned income for an externship is countable earned income, as it is not considered educational income as long as it is able to be prospected.

GARNISHMENTS DEDUCTED FROM WAGES:

Garnishments deducted from wages for a debt except for previous advance on wages are countable earned income.

The amount of garnishment is an allowable expense if the garnishment is due to a legally obligated child support debt.

GOVERNMENT TRAINING ALLOWANCES:

The specific government funding source will determine if the income is earned or unearned and countable or excluded. Stipends, Incentives, Paid Work Experience and OJT is countable earned income unless otherwise specified in policy.

REIMBURSEMENTS:

Reimbursements are excluded income.

IN-KIND INCOME:

The countable value of earned in-kind income is the current value of services provided in the form of food or shelter.

Unearned in-kind is excluded. However, any unearned in-kind must be evaluated to determine if it should be considered a countable contribution.

IRREGULAR INCOME:

Any amount of income that is reasonably anticipated to be received is counted.

JOB CORP:

Earned income for participation in Job Corp is countable if the household member is an adult and considered temporarily absent from the home.

JURY DUTY:

Evaluate how individuals on jury duty are compensated to determine whether the jury duty payment is countable or excluded earned income.

LUMP SUM PAYMENTS:

Nonrecurring lump payments are excluded as income.

MILITARY BASIC ALLOWANCE FOR HOUSING (BAH):

BAH is considered countable unearned income.

MILITARY PAY:

Military pay is countable income if earned.

OLDER AMERICANS ACT:

Projects funded under Title V of the Older Americans Act of 1987 include:

1. Experience Works AKA Green Thumb
2. Forest Service
3. American Association of Retired People (AARP)
4. National Council on Aging
5. National Council of Senior Citizens

Payments from these projects are countable earned income.

PLAN FOR ACHIEVING SELF-SUPPORT (PASS):

Any money diverted from an individual's income to a PASS account is excluded during the period covered by the PASS contract.

ROYALTY INCOME:

Royalties include compensation paid to the owner for the use of property. This is usually copyrighted material or natural resources.

The only earned royalties are those derived from a self-employment business enterprise.

SALE OF BLOOD:

Gross income from the sale of blood or blood plasma is countable earned income.

SEVERANCE PAY:

When severance pay is received after employment termination in two or more payments, it is countable earned income.

If paid in a non-recurring lump sum, it is excluded.

SICK LEAVE/VACATION PAY:

Sick leave or vacation pay received while still employed is countable earned income.

Vacation pay received after employment termination is treated as severance pay.

Sick leave pay that is received in two or more payments after employment termination is countable earned income. If paid in a nonrecurring lump sum, it is excluded.

STIPENDS:

A stipend is typically a fixed regular sum paid as a salary or allowance. This income may be excluded depending on the funding source. TANF funded programs are countable unless otherwise stated in policy.

TANF SUBSIDIZED EMPLOYMENT:

Wages from TANF subsidized employment positions are countable.

TAX REFUNDS (STATE and FEDERAL):

Excluded as income in the month received and excluded as a resource for a period of 12 months.

TIPS:

Tips are countable.

VENDOR PAYMENTS:

Earned vendor payments are countable or excluded depending on the circumstances.

Money legally obligated or otherwise payable to the household as earnings but is diverted to a third party for a household expense, is considered countable earned income.

WAGES FROM EMPLOYMENT:

Gross wages are defined as wages before taxes, insurance, etc., are deducted. Gross income includes salary and commission earnings and is countable earned income.

Earned Income of an SSI 1619B eligible individual is excluded in determining the TANF grant.

WORK STUDY:

All educational income, including work study, is excluded.

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA):

The Workforce Innovation and Opportunity Act replaced the Workforce Investment Act (WIA).

WIOA Work Experience wages paid to the client by the sponsoring WIOA agency are excluded earned income.

WIOA On-the-Job-Training wages paid to the client by the employer are excluded earned income.

Effective Date: February 1, 2023

