



603-1 Income Tests and Grant Calculation

Supersedes:	TANF 603-1 (01/01/08)
References:	ARM 37.78.102, 37.78.228, 37.78.406, 37.78.407, and 37.78.420; MCA 53-4-241; House Bill 2 (2005)
Overview:	<p>GENERAL RULE-- TANF cash assistance and the TANF Post-Employment Program require two income tests to complete the financial eligibility process. If the filing unit fails either of these tests, it is not eligible for benefits. These tests are:</p> <ol style="list-style-type: none">1. the gross monthly income (GMI) test, and2. the benefit standard test. <p>The filing unit's <u>prospected</u> countable earned and unearned income is compared to the GMI and Benefit Standards for household size. The standards used are determined by state and federal rules and regulation</p>
GROSS MONTHLY INCOME	<p>The filing unit's countable income (earned and unearned) must be tested against the gross monthly income (GMI) standard for the unit size.</p> <p>For the TANF cash assistance program, to pass the GMI test, the unit's gross countable income must be equal to or below the standard, prior to applying any earned income disregards.</p> <p>For the TANF Post-Employment program the earned income disregard (100% of earned income) is applied to the unit's countable earned income first, prior to comparing the unit's remaining countable income to the GMI. (See TANF 602-1)</p>
BENEFIT STANDARD TEST	<p>The filing unit's countable income must be tested against the benefit standard for the unit's size.</p> <p>The net countable income is then compared to the benefit standard. To pass this test, the unit's net countable income must be equal to or below the Benefit Standard.</p>
PAYMENT STANDARD	If, after allowable disregards, the household passed the GMI test and the Benefit Standard; the net countable income used to determine the amount of the TANF cash grant for participant.
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