



TANF 604-1

Income Tests and Grant Calculations

Supersedes: TANF 603-1 (1/1/12)

Reference: ARM 37.78.228, .406, .407 and .420; MCA 53-4-241; House Bill 2 (2005)

Overview: The five TANF income standard sets include:

1. gross monthly income standard
2. net monthly income standard
3. benefit standard
4. TANF cash assistance payment standard
5. Post-Employment Program payment standard

For each benefit month, the household must pass all income standards as a financial eligibility requirement. (The net monthly income standard is no longer used in the eligibility determination but the standard is used in other areas (i.e., the deeming process) so the standard will remain in the manual.)

Individuals may receive benefits as a member of only one assistance unit in Montana within the same month. However, because grant amounts vary between states/tribes, households applying for benefits that have already received TANF benefits in the month of application from another state/tribe may be eligible for a grant amount equal to the difference between what they have received and what Montana would issue.

When an individual is entitled to benefits per policy, the state must issue the payment. Once benefits have been issued, they cannot be changed or terminated.

Benefits in the initial month may be pro-rated based on the benefit start date.

GROSS MONTHLY INCOME TEST:

The filing unit's prospected countable income (earned and unearned) is first tested against the gross monthly income (GMI) standard for the unit size.

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.

BENEFIT STANDARD TEST:

The filing unit's projected countable net income must be tested against the benefit standard for the unit's size. Determine net countable income by:

1. Subtracting earned income disregards from the gross countable earned income of each wage earner;
2. Adding the unit's unearned income to the balance; and
3. Subtracting the "obligated income" disregard.

The net countable income is then compared to the benefit standard for the unit size. To pass the Benefit Standard test, the unit's net countable income must be equal to or below the Benefit Standard.

PAYMENT STANDARD:

If the household passed the GMI test and the Benefit Standard, and the net countable income is greater than or equal to the Payment Standard, the household is ineligible.

If the household passed the GMI test and the Benefit Standard, and the net countable income is less than the Payment Standard, and the unit is otherwise eligible, the benefit amount for TANF cash assistance is determined by subtracting the unit's net countable income from the appropriate payment standard.

Effective Date: January 01, 2018