

# Income Special Types

Revised ~~July 1, 2021~~December 18, 2023

## Purpose:

This section includes rules and procedures on how to treat special income types.

**WAC 388-450-0010** The department takes some or all of your time-loss benefits if you get cash assistance while waiting for your claim to be processed

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0035** Educational Benefits

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0040** Native American benefits and payments.

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0045** How do we count income from employment and training programs?

- Clarifying Information

**WAC 388-450-0050** How does your participation in the community jobs (CJ) program affect your cash assistance and Basic Food benefits?

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0055** How does needs-based assistance from other agencies or organizations count against my benefits?

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0065** Gifts - Cash and noncash.

- Clarifying Information and Worker Responsibilities

**WAC 388-450-0070** How do we count the earned income of a child?

- Clarifying Information and Worker Responsibilities

## APPENDIX I: The Effect of the Puyallup Settlement on Your Eligibility for Public Assistance.

## APPENDIX II: Indian Agencies Serving Tribes with a Near-Reservation Designation.

## APPENDIX III: Indian Agencies Serving Tribes without a Near-Reservation Designation.

---

### Clarifying Information - WAC 388-450-0010

1. Retroactive payments for time-loss benefits are considered lump sums. To find out how to treat these payments, see [WAC 388-455-0005](#). Count only the amount of the lump sum that the client receives. Do not count any amount the department recovers.
2. We **do not** recover time-loss compensation from clients that receive AREN payments if they don't receive ongoing assistance.

### Worker Responsibilities -WAC 388-450-0010

#### **When a Cash or Family Medical Client Has a Pending Time-loss Compensation Claim or Files a Claim with Labor and Industries (L&I)**

1. Fill out the Time-Loss Benefits Claim Information form, DSHS 18-255 and forward it to the Office of Financial Recovery (OFR).
  2. If the client has additional medical coverage, complete the DSHS 14-194(X), Medical Coverage Information form.
  3. Let the client know that when they accept public assistance, DSHS has the right to recover net time-loss compensation. Also tell them that OFR identifies time-loss compensation and decides how much they owe the department.
  4. If a client disagrees with the department recovering time-loss compensation benefits, let the client know they may request a fair hearing.
- 

### Clarifying Information - WAC 388-450-0035

**1. Title IV education assistance that is excluded regardless of how the money is used or a client's graduate or undergraduate status:**

- College Work-Study (CWS) Program (must be Title IV- see note below)
- Direct Loan Demonstration Program
- Family Education Loan Program (FELP)
- HEP / CAMP Programs, special programs for students whose families are engaged in migrant and seasonal farm work
- National Early Intervention Scholarship and Partnership Program
- Pell Grant Program
- Perkins Loan Program
- Presidential Access Scholarships
- PLUS Loan Program
- Robert C. Byrd Honors Scholarship Program
- Special Child Care Services for Disadvantaged College Students
- Stafford Loan Program
- State Need Grant (SNG) Program
- State Student Incentive Grant (SSIG) Program
- Supplemental Education Opportunity Grant (SEOG) Program
- Supplemental Loans for Students (SLS) Program
- TRIO Programs, special programs for students from disadvantaged backgrounds

**NOTE:** Title IV College Work Study (CWS): Since the Leveraging Educational Assistance Partnership (LEAP) program and Special Leveraging Educational Assistance Partnership (SLEAP) have been eliminated, state work study (SWS) earnings (wages) no longer fall under Title IV funding and must now be counted as earned income for SWS students receiving food assistance.

**2. Educational assistance benefits where we exclude just the funds used for attendance costs:**

- Carl D. Perkins Vocational and Applied Technology Education Act, P.L. 101-391
- Bilingual Education - Fellowship Program
- Dwight D. Eisenhower Mathematics and Science Education Program
- Jacob K. Javits Fellowship Program
- Library Career Training Program
- National Science Scholars Program

- Patricia Roberts Harris Fellowship Program
  - Paul Douglas Teacher Scholarships
  - Ronald E. McNair Post-Baccalaureate Achievement Program
  - Other educational assistance, not listed above, in the form of grants, work study, scholarships, or fellowships
3. **Bureau of Indian Affairs (BIA) education assistance benefits that are excluded regardless of use:**
    - BIA Higher Education Grants
    - Indian Education - Fellowship for Indian Students
  4. **Employment or training funds:** For information on employment or training funds, see [WAC 388-450-0045](#).
  5. **TOPS Program at Highline CC:** TOPS is a WorkFirst work study program that will fall under [WAC 388-450-0035](#) (3). If you are participating in WorkFirst work study, that work study income is: Not counted for cash and medical assistance; Counted as earned income for Basic Food. More information about the TOPS program at Highline CC can be found at <https://womenswkfirst.highline.edu/>

## Worker Responsibilities - WAC 388-450-0035

### 1. **Averaging educational assistance over the period of use:**

Average educational assistance income over the months the school expects the client to use the money. See Budgeting for more information.

**EXAMPLE:** Timothy gets \$1000 in countable educational assistance for the school year. The school year is nine (9) months. Divide the \$1000 total by 9 months to budget a monthly amount of countable income.

### 2. **Changing from one school term to another:**

- a. When one school term ends and a new term begins in the same month, count the first day of the next full month as the start of the term.
- b. **Do not** use costs from one school term to offset the educational assistance a client earns or gets in another term.

### 3. **Educational expenses disregarded** as income may reduce a client's allowable deductions for Basic Food:

If you disregard a client's educational benefits under [WAC 388-450-0035](#) (2), allow only the expenses **above** the educational benefits you disregarded as an expense for Basic Food. See [WAC 388-450-0185](#) for information on expenses that can be allowed as a deduction for Basic Food.

**EXAMPLE** A client gets \$1200 in educational benefits through the Perkins Act for January through March. \$400 is identified as being for childcare expenses. Client pays \$195 monthly for the care of their daughter.  $\frac{\$400 \text{ Earmarked expense}}{3 \text{ months}} = \$133.33 \text{ per month allotted for child care}$ .  
\$195.00  
-133.33

#### **\$61.67 allowed for Dependent-care deduction**

See [INCOME - Effect of Income on Eligibility and Benefit Level](#) for information on deductions for Basic Food.

#### **4. Student loans:**

Consider student loans that clients must repay as bona fide loans under [WAC 388-450-0015](#). Do not count student loans as income regardless of whether the student is part-time, full time, a graduate student, or an undergraduate.

#### **5. Work study:**

Count work-study income that is not specifically excluded in [WAC 388-450-0035](#) as earned income using the following steps;

##### **a. For cash assistance:**

- i. Exclude the amount earmarked for educational expenses;
- ii. Subtract the difference between the AU's need and payment standard from the remaining income of (i) above; and
- iii. Budget the remaining income as earned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.

##### **b. For Basic Food:**

- i. Exclude the amount earmarked for educational expenses; and
- ii. Budget the remaining income as earned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.
- c. Refer to the ACES manual, Income Eligibility and Budgeting - Special Income Situations - Work Study Income

**NOTE:** Examples of work-study income that is **not excluded** under [WAC 388-450-0035](#) include WorkFirst work-study and state-funded college work study for Basic Food and VA work-study for cash and Basic Food. See [STANDARDS - Cash Assistance](#) programs to find the need and payment standards for the AU. See [WAC 388-450-0170](#) for the TANF / SFA earned income incentive and deduction and [WAC 182-509-0175](#) for the MCS earned income incentive and deduction.

6.

**EXAMPLE MCS client began school in September and has attendance costs of \$600 for the semester of September through December. The client gets VA educational assistance of \$400 a month.**

**\$1600 VA educational assistance Sept. - Dec. (\$400x4)**

**- \$600 Attendance costs**

**\$1000 Non-excluded income**

**\$1000 Non-excluded income**

**÷ 4 Months in term**

**\$250 Monthly unearned income**

**Educational assistance for TANF / SFA, RCA, GA and medical programs for children, pregnant women and families:**

- a. Look at the student's financial aid award letter to identify the amount and type of educational assistance.
  - b. Disregard and exclude educational assistance as allowed under WAC 388-450-0035.
  - c. Subtract the difference between the AU's need and payment standard from the remaining income of [c.] above. See **STANDARDS - Cash Assistance** to find the need and payment standards for the AU.
  - d. Budget the remaining income as unearned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.
7. **Carl D. Perkins (Perkins Loan Program) educational assistance for TANF / SFA, RCA, GA medical programs for children, pregnant women and families:**
  - a. Decide if the student is a full-time or half-time student. The school defines a full-time schedule. A half-time schedule is at least 1/2 the full-time schedule.
  - b. Subtract attendance costs allowed in subsections (2) (a) and (b) of **WAC 388-450-0035** from the student's educational expenses based on the student's full- or half-time status.
  - c. Subtract the difference between the AU's need and payment standard from the remaining income of [b.] above. See **STANDARDS - Cash Assistance** to find the need and payment standards for the AU.
  - d. Budget the remaining income as unearned income to the AU. Average this income over the period of time the client's award letter states the assistance is for.
8. **Veteran's Administration educational assistance for TANF/SFA, RCA, GA and medical programs for children, pregnant women and families:**
  - a. Subtract all attendance costs allowed in sub-sections (2) (a) and (b) of **WAC 388-450-0035** from the student's educational assistance. Budget the amount left as

unearned income to the AU. Average this income over the period of time the VA states the assistance is for.

- b. **DO NOT** deduct the difference between the assistance unit's need standard and payment standard.

**NOTE:** If a client is still employed in work-study over the summer and is not taking classes, do not subtract any educational expenses.

---

## Clarifying Information - WAC 388-450-0040

### Indian Income, Judgment Funds, Trust Funds, and Lands held in Trust Excluded Under Federal Law

For TANF/SFA, RCA, ABD cash, medical, and Basic Food, if Indian payments or benefits are not specifically excluded under [WAC 388-450-0040](#) or any federal law, the payments are counted as unearned income to the AU.

**NOTE:** Only use the ACES code "PC" for excluded per capita income. All countable tribal income must be coded as "OC".

## Worker Responsibilities - WAC 388-450-0040

### TANF/SFA, and Basic Food

1. Review Indian payments to decide if all of the payment is excluded.
2. Follow the instructions for the specific types of Indian payments listed below.
3. Document the source of the payment and how you treated it on the REMARKS screen.

### Alaska Native Claims Settlement Act

1. Identify any benefits a client receives from the Alaska Native Claims Settlement Act. The types of benefits issued include:
  1. Cash (including cash dividends on stock received from a Native Corporation);
  2. Shares of stock (including stock issued or distributed by a Native Corporation as a dividend or distribution on stock);
  3. A partnership interest;
  4. Land or an interest in land (including land or an interest in land received from a Native Corporation as a dividend or distribution on stock); and
  5. An interest in a settlement trust.
2. Disregard:

1. The first \$2,000 per calendar year each client receives from this Act; and
2. Shares of stock, a partnership interest, land, and interest in a settlement trust.
3. Count the following as unearned income:
  1. Cash received above the disregard of \$2,000 per individual per calendar year; and
  2. Profit earned from the client's Alaska Native Claims Settlement Act resources (e.g., interest or dividend payments earned from investment of the excluded \$2,000).
  3. Budget the income as unearned income to the AU.

### **Judgment Funds**

1. Disregard judgment funds or per capita payments received by a tribal members as follows:
  1. Funds paid as "per capita payments" or judgment payments to members of the tribe; and
  2. Up to \$2,000 in income received from individually owned trust or restricted lands.
2. Count as **unearned** income:
  1. Income above the \$2,000 disregard; and.
  2. Per capita payments the client received from another eligible tribal member or as an inheritance.
3. Budget the income as unearned income to the AU.

### **Colville Tribe Settlement Trust Funds**

Disregard:

1. Indian judgment funds or funds held in trust for a tribal member;
2. Interest income accrued while funds are held in trust and
3. Investment income accrued while funds are held in trust.

### **Puyallup Tribe of Indians Settlement Act**

1. Treat payments from the annuity fund established by the Puyallup Tribe of Indians Settlement Act of 1989, (annuity fund payments) made to a Puyallup Tribe member as follows:
  1. Disregard the payment when the annuity fund payment is kept as cash on hand or deposited in a checking or savings account; and
  2. Budget income (i.e., interest) derived from the annuity fund payment as unearned income.

2. When a client reports the annuity fund payment, inform the client about how the annuity fund is treated. Give the client a copy of [Appendix I - The Effect of the Puyallup Settlement on Your Eligibility for Public Assistance](#).
3. Document on the REMARKS screen whether you gave the client the information sheet in person or mailed it to the client.
4. Disregard real or personal property the client bought directly with funds from the annuity fund payment (initial investments). Disregard the amount of the funds invested from the annuity fund payment.
1. Budget income received from the initial investments as unearned income; and
  2. When the real or personal property bought by the client is not excluded as a resource, count any increase in the initial investment's value as a resource.
    1. At the client's eligibility review, decide if the initial investment has increased in value.
    2. Determine the effect of any increase on the client's resources.
5. Disregard payments to a Puyallup Tribe member from the Puyallup Tribe of Indians Settlement Act trust fund.
6. When clients transfer an initial investment, see [TRANSFER OF PROPERTY](#) to decide how the transfer affects the client's eligibility.

### **Indian Benefits -- Trust Funds**

Disregard:

1. Indian trust funds or lands held in trust for a tribal member;
2. Interest income accrued while funds are held in trust; and
3. Investment income accrued while funds are held in trust.

### **Trust Fund Guardianship**

When a client tells you that the BIA superintendent of the tribe controls their trust fund, use the following procedures:

1. Request verification of the status of Indian trust funds (including any amount that is in the client's account). **DO NOT** determine eligibility until you have the verification; and
2. Refer the client to the superintendent to attempt to make the trust funds above the excluded level available to meet the client's needs.

**NOTE:** Excluded level means: - The personal property resource limit for the program **plus** - Amounts held in trust or which were received as the result of per capita judgment funds awarded by the Indian Claims Commission or Court of Claims.

3. Tell the client they must provide us with a written statement from the superintendent telling us:

- Whether the superintendent is maintaining control of the client's trust funds; and
  - Whether trust funds above the excluded level will be available to meet the client's current need.
4. How to count funds above the excluded level:
- Count funds above the excluded level as available to meet needs when:**
- The funds are paid directly to the client; or
  - The superintendent pays the funds to someone else for items that duplicate basic needs.
- Don't count funds above the excluded level as available to meet needs when:**
- The funds are not paid out; or
  - The superintendent pays the funds to someone else for items that do not duplicate items contained in the department's need standard.
5. Budget the available income as unearned income to the AU.
6. Review payments from the trust account at each eligibility review.
7. Request the client to get a written statement from the superintendent to identify all payments and why each payment was made in order to redetermine eligibility.
8. If necessary, write the superintendent to request the needed information. Enclose a Release of Information signed by the client.

#### **Bureau of Indian Affairs (BIA) General Assistance Program**

##### **For GAU**

1. BIA General Assistance meets "essential needs" of Indians while they wait for a GAU eligibility determination or if they have been denied eligibility for other federal, state, county or local assistance programs.
2. Refer Indian clients who have applied for GAU to the appropriate Indian agency to apply for BIA General Assistance when the client:
  1. Is a member of a United States federally-recognized tribe; and
    2. Lives on an Indian reservation in Washington State; or
    3. Lives in a BIA approved "near-reservation" area for their tribe, (see [Appendix II - Indian Agencies Serving Tribes with a Near-Reservation Designation](#), to find out if a client lives in an approved area); and
    4. Is applying for assistance and has an emergent need; or
    5. Is not eligible for benefits from DSHS.
  3. To find out if a client meets the near-reservation designation and what Indian agency serves the tribe:

1. Use [Appendix II - Indian Agencies Serving Tribes with a Near-Reservation Designation](#), to find out:
  1. If the client is living in a near-reservation designated area; and
  2. Which Indian agency serves the tribe with a near-reservation designation.
2. For Indian tribes not listed in Appendix II, there are no near-reservation designations. Indians from tribes without a near-reservation designation can get BIA General Assistance **only** if they live on the reservation. See [Appendix III - Indian Agencies Serving Tribes without a Near-Reservation Designation](#).
4. Indians that aren't native to the local BIA are not eligible for BIA General Assistance when they live in a near-reservation designated area.
5. Have the client complete an Authorization to Release Information, [DSHS 14-012\(X\)](#). Be sure the form is completed to allow the department to provide information to the Indian agency as well as request information from the Indian agency.
6. Usually, BIA General Assistance is issued when an Indian client is determined not eligible for other assistance programs. In an emergency case, a person may qualify for BIA General Assistance while DSFS makes an eligibility determination. Do not deny benefits to a client because BIA General Assistance is available to them.
7. When a client gets BIA General Assistance and is found eligible for GAU, count the BIA General Assistance as assistance from other agencies and organizations. See [WAC 388-450-0055](#).

---

## Clarifying Information - WAC 388-450-0045

1. Job Training Partnership Act (JTPA)  
JTPA ended and was replaced by the Workforce Investment Act (WIA).
2. Job Corps  
Job Corps is funded through Title 1-C of WIA and is treated as described in [WAC 388-450-0045 \(1\)](#).
3. WIA Paid Work Experience  
Paid work experience that is funded by Title 1 of WIA is treated as described in [WAC 388-450-0045\(1\)](#). For Basic Food purposes, this is considered WIA on-the-job training and must be budgeted according to [WAC 388-450-0045\(1\)\(i\)](#) and (ii).
4. AmeriCorps Income  
The AmeriCorps program is issued under the National and Community Service Trust Act of 1993. We exclude all payments issued under AmeriCorps. Although it sounds similar, the

AmeriCorps and AmeriCorps VISTA programs are two different programs and how we treat the income varies between the two programs.

5. VISTA / AmeriCorps VISTA Income

The Volunteers In Service To America (VISTA) program, commonly known as AmeriCorps VISTA, is issued under title II of the Domestic Volunteer Act of 1973. How we treat this income for Basic Food depends on receipt of cash or food benefits at the point someone joins the VISTA program.

We exclude VISTA income for **all** cash and medical programs.

6. How to identify AmeriCorps or AmeriCorps VISTA and know which stipends to count as income:

AmeriCorps

AmeriCorps VISTA



- AmeriCorps participants (typically referred to as members) generally begin their term of service in late summer or fall. (August - October), but on occasion may start at other times throughout the year.
- Full-time AmeriCorps members serve for a period of no less than 9 months and not more than 12 months per term of service.
- An individual is eligible to serve up to two terms of service in AmeriCorps.
- Receive funds under the National and Community Services Trust Act of 1993.



- VISTA participants (typically referred to as volunteers) attend a Pre-Service Orientation (PSO) prior to beginning their term of service. Enrollment windows are established by the Corporation for National Service. Enrollment occurs at various times throughout the year.
- VISTA volunteers serve for 12 months.

- An individual is eligible to serve up to three terms of service in VISTA.
- Receive funds under Title I of the Domestic Volunteer Act of 1973.

**How to treat AmeriCorps income:** Exclude AmeriCorps income for **all programs**.

**How to treat AmeriCorps VISTA income:** Exclude VISTA income for cash & medical. For Basic Food:

- If the volunteer received cash or Basic Food benefits at the time they joined the VISTA program, exclude the VISTA income.
- If the volunteer did not receive cash or Basic Food benefits when they joined the VISTA program, count VISTA payments as earned income.

If someone is not sure whether they are volunteering in a program under AmeriCorps or AmeriCorps VISTA, ask the person for copy of their letter of introduction. The letter will identify the program and should include one of the logos shown in the above table.

---

## Clarifying Information - WAC 388-450-0050

### 1. Purpose of Community Jobs:

The Community Jobs (CJ) program places TANF/SFA parents into subsidized jobs when they did not succeed in job search or when the parent may have barriers to employment. See WAC [388-310-1300](#) for additional information on CJ.

### 2. Employer of Record for Community Jobs:

The Community Jobs Contractor (CJC) is the parent's employer of record, not the worksite where the parent is placed. It is not a change if a the parent moves from one job assignment to another so long as the contractor does not change.

### 3. Subsidized Income:

There are two types of Community Jobs where the income is subsidized:

- The parent is placed in a work assignment (Classic Jobs).
- The initial placement (up to five months) in a work assignment where the parent is expected to be hired by the placement site (Career Jump). This is the first phase of Career Jump.

In both cases, the income is earned for TANF/SFA and for Basic Food Assistance.

### 4. Unsubsidized:

When the parent moves into the second phase of Career Jump, the placement site officially hires the parent, and the employer then pays the wages. Community Jobs still works with the parent but is not responsible for the wages. This income is earned income for both TANF/SFA and Basic Food Assistance.

## Worker Responsibilities - WAC 388-450-0050

### 1. Budgeting CJ income:

The start date for income is the month that the parent will actually receive the first paycheck. This first month's income is not counted towards the TANF grant.

**EXAMPLE** Parent starts work on the job site March 14th but does not receive the first paycheck until April 10th. The first month of income is April.

Budget CJ income as stated in [WAC 388-450-0050](#) (2) - (6). See [INCOME - Income Budgeting](#)

Note: Community Jobs pays the state or local minimum wage, whichever is higher.

**NOTE:** ACES automatically excludes a parent's anticipated CJ income for TANF / SFA and counts it for Basic Food in the parent's first month of CJ participation.

**EXAMPLE** Parent starts work March 14th and expects to receive the first check on April 10th. The CJ contractor indicates the first paycheck will be for 2 weeks, 20 hours per week, at \$12.0016.28 per hour. The second paycheck, scheduled for April 24, will also be for 2 weeks, 20 hours per week at \$12.0016.28 per hour. For April, you should budget  $20 \times \$12.00\cancel{16.28} \times 2 \times 2.15 = \$1032.00\cancel{1}.400.08$ . For TANF, ACES will ignore this income for April only and will budget it for May as earned income. For Basic Food, ACES will budget this income as earned income in April and May.

2. **If CJ income alone makes the AU ineligible for TANF/SFA:** If there is no other income other than CJ wages and these wages alone put the AU over the maximum earned income limit for TANF/SFA under [WAC 388-478-0035](#), then keep the case in suspense throughout the CJ enrollment period. See "When CJ income puts a case in suspense" below.

### 3. If the AU has income from CJ and another source:

- a. The countable income from the other source **alone** puts the AU over the appropriate payment standard, terminate cash benefits and end the parent's CJ component; or
- b. The AU would still be eligible without counting the CJ income, then suspend TANF/SFA and continue with the CJ component.

4. **When CJ income puts a case in suspense:** The Division of Child Support forwards the child support payments to the parent and these payments are budgeted against the Basic Food benefits as unearned income. The support payments are not retained support.
5. **If CJ income causes a reduction in the grant but it is not in suspense:**
  - a. The Division of Child Support will not forward the child support payments. If the AU's child support exceeds the cash grant for two months without counting the CJ income, ACES automatically closes the case.
  - b. At the next 90-day review, review the child support payments and decide if the case should be terminated. See [WAC 388-310-1300](#).
6. **The transition from subsidized to unsubsidized “Career Jump” wages:** The Community Jobs contractor (CJC) will inform you when the transition to the employer’s payroll takes place. The income remains earned for Basic Food Assistance in all months.
7. **When the CJC reports a change:** If the CJC reports a change that affects a client's benefits, follow the change of circumstances rules in [WAC 388-418-0020](#).

---

## Clarifying Information - WAC 388-450-0055

1. Assistance from other agencies and organizations:
  1. Includes cash and in-kind income; and
  2. Can come from public or private agencies or organizations.
2. For cash and medical assistance, we can exclude money given by public or for-profit companies as long as the money is not intended for ongoing living expenses. For Basic Food, we must count any money given by a public or for-profit company.

## Worker Responsibilities - WAC 388-450-0055

### For cash assistance programs for children, pregnant women, and families

1. Verify the following information:
  1. How much assistance the client receives;
  2. How often the client receives the assistance;
  3. Why the client receives the assistance;
  4. What conditions the client had to meet to receive the assistance; and
  5. What the client must do to continue to receive the assistance.

2. **Subtract** the following from the gross assistance:
  1. Any amount that is not intended to cover ongoing living expenses; and
  2. Any amount provided under conditions which prevent it from being used for the client's current living expenses (e.g., a damage deposit provided by the Salvation Army for the AU to relocate after a fire); and
  3. The difference between the need standard and payment standard for the AU.
3. **Budget** any remaining assistance as unearned income for the month.

**EXAMPLE** A three-person AU got \$1,500 in assistance from a local community agency after their apartment complex was condemned. Of the \$1,500, \$600 is intended for a damage deposit at the new apartment the agency found for the AU. The other funds are for household items.

Total Assistance \$1,500

Less Damage Deposit -600

Amount Duplicating Need \$ 900

Disregard Amount ~~1,7485,690~~ (see below for disregard amount)

Available Income \$ 0

Three-person Need Standard \$2,4026,396

TANF Payment Standard ~~654706~~

Disregard Amount ~~1,7485,690~~

In this example, none of the \$1,500 in assistance would be countable income for cash.

## Clarifying Information - WAC 388-450-0065

1. For Basic Food, the definition of "quarter" for this rule is any consecutive three-months. The quarter does not have to be a calendar quarter.
2. A gift is an item voluntarily given to someone without expecting something in return. Some common examples where someone may receive a gift include birthdays, Christmas, weddings, and graduations.
  1. A cash gift is a gift that is in the form of cash, checks, or a sellable security such as stocks or bond.
  2. A non-cash gift is any gift that is not considered a cash gift. Examples of non-cash gifts include:
    1. Real or personal property (e.g., a home, television, furniture, jewelry, or new furnace); and
    2. Goods or services provided at no charge to the client (e.g., free phone service provided by the telephone company.)

## Worker Responsibilities - WAC 388-450-0065

### 1. **Cash gifts for cash assistance and medical programs for children, pregnant women and families:**

1. If more than one person share a cash gift, find out the client's share in the gift by dividing the value of the gift by the number of persons receiving it. If the person giving the gift states that the gift must be divided a specific way, use the method stated by the gift giver.
2. Disregard the first \$30 each person gets in cash gifts for each calendar quarter.
3. Budget any amount above the \$30 disregard as unearned income to the AU.

### 2. **Cash gifts for Basic Food:**

1. If the AU received more than \$30.00 as a cash gift, budget the entire amount of the gift as unearned income for the month; or
2. If the AU received \$30.00 or less as a cash gift, disregard the cash gift if any one of these conditions are met:
  1. If the cash gifts to the AU over the current and previous two months total \$30.00 or less;
  2. If the cash gifts to the AU over the last month, the current month, and those expected for the next month total \$30.00 or less.
3. If none of the conditions in b. are met, budget the entire amount of the gift as unearned income for the month you expect the client to get the income. If a client doesn't know that they will get a cash gift in time for use to affect the client's benefits, do not budget the gift. See [INCOME - Income Budgeting](#).

NOTE: Credit card gift cards spend the same way as cash. We consider these gift cards liquid resources when they are infrequent and we can't anticipate them. Consider credit card gift cards income when they are regularly received and easily anticipated.

### 1. **Non-cash gifts for cash assistance and medical programs for children, pregnant women and families:**

1. Disregard non-cash gifts when:
  1. The gift is a voucher or vendor payment (a payment made for a client by another person to a vendor of goods and services);
  2. The donor states in writing that the gift must be used for a specific purpose;
  3. The gift is within the resource limits for the program the client receives; or
  4. The gift is excluded.

2. For information on non-cash gifts as resources, see the specific resource type in **RESOURCES**.

NOTE: Gift cards that only spend at one specific retailer are considered lump sum payments and treated as a resource.

---

## Clarifying Information - WAC 388-450-0070

1. A child's age on the first day of the month is their age for that month. For example, a child turns 18 on February 6. We consider them as 17 in February and 18 in March.
2. Even though they have children of their own, minor parents are considered children for the purposes of this rule. They can qualify for the earnings exclusion if they meet the other eligibility requirements.
3. A child who meets the age requirements can be attending any type of educational program and have their earnings excluded. This includes vocational training and college courses.
4. The month after the income is received, we count the child's earnings as a resource even if we did not count them as income. The child's resources are added to the resources of the entire assistance unit (AU) for that month to determine eligibility for the entire AU. The child's income can be excluded as a resource if placed in an irrevocable educational trust.

## Worker Responsibilities - WAC 388-450-0070

1. Verify income of a minor child.
2. The client can use either the [DSHS 14-223](#), Statement from School, or provide a statement from the school for verification of student status.
3. If the child age 17 or younger is in school for any amount of time, exclude their earnings regardless of the number of hours they work.
4. If the child is over age 17 but under age 21:
  1. Count the earnings for Basic Food and medical programs for families, children, and pregnant women.
  2. For cash assistance, exclude the earnings if the child meets the requirements in [WAC 388-404-0005](#). If the child does not meet these requirements, count the earnings.
5. If the child is not in school, count the earnings.
6. Tell the client they may put the child's income into an irrevocable educational trust for the child.

- If the client wants to set up an irrevocable educational trust for their child, give the client form DSHS 18-555(X), "Irrevocable Educational Trust."

7. Keep a copy of the completed form DSHS 18-555(X) in the case record.

**Self Employment see [Income - Self Employment](#)**