



Financial Eligibility Rules for TANF Cash Assistance

Arizona

I. Rules Used to Determine Applicants' Initial Eligibility and Recipients' Ongoing Eligibility/Benefit Levels

Asset Test

Applicants and recipients must have countable assets below \$2,000.

For applicants and recipients who own a car, the value of one car is excluded entirely from countable assets. The entire equity value of second and additional cars is counted as an asset.

Gross Income Limit

All applicants and recipients are subject to a gross income test. Gross income (total income with no deductions) must fall below the following amounts:

	<u>Gross Income Limits by Family Size</u>			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Families with a shelter cost obligation	\$1,048	\$1,415	\$1,783	\$2,149
Families with no shelter cost obligation	\$660	\$889	\$1,122	\$1,354

Benefit Calculation

To be eligible for assistance, the countable monthly income (income after specified deductions) of applicants and recipients must be below the maximum benefit for a family of their size. A recipient's benefit equals the difference between countable income and the maximum benefit.

Countable income equals gross incomes less the following deductions:

- \$90 and 30% of remaining earnings
- deduction for out-of-pocket child care expenses if families work at least 86 hours per month: \$200 a month for children age 2 and under, and up to \$175 a month for children over 2. For families working fewer than 86 hours per month, the maximum child care deductions are equal to half of the amounts cited above.

Maximum Benefit Levels

Maximum monthly benefit levels vary for different groups of families:

	<u>Family Size</u>			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Families with a shelter cost obligation	\$204	\$275	\$347	\$418
Families with no shelter cost obligation	\$128	\$173	\$218	\$263

II. Other Rules Affecting Eligibility or Benefit Levels

Treatment of Child Support Income

Child support payments are retained by the state as reimbursement for cash assistance payments. If child support payments exceed the maximum benefit, the family is ineligible.

Treatment of SSI as Income

As under AFDC, a family member receiving SSI benefits is excluded from the assistance unit. The SSI recipient's income and resources are not considered when determining eligibility or benefits for the rest of the family.

Treatment of EITC Benefits Received

As under AFDC, an EITC payment received by a family member - whether as a lump sum at the end of the year or through advance payments - is not counted as income for any purpose. Lump sum EITC payments are counted as assets starting in the second month after the month of receipt.

Lump Sum Income

Non-recurring lump sum income, such as a personal injury award or lottery winnings, is treated as an asset starting in the month after the month in which it is received.

Treatment of Housing Assistance

Actual housing costs affect a family's level of or eligibility for cash assistance as follows:

As noted above, the gross income limits are higher and maximum benefit levels are lower for families that do not have a shelter cost obligation than for families that have shelter cost obligations.

Individual Development Accounts

State policy authorizes Individual Development Accounts (IDAs) for cash assistance recipients.

Funds maintained in an IDA may be used for the following purposes:

- Post-secondary educational expenses
- Licensed/certified training programs

The maximum amount that may be maintained in an IDA is \$9,000.

In addition to earnings, an individual's IDA contributions can come from:

Outside individuals; nonprofit organizations; lump sum payments; passed-through child support

The IDA program does not include a provision for matching funds.