



Financial Eligibility Rules for TANF Cash Assistance

Illinois

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

Asset Test

Recipients are subject to the following limits on countable assets:

<u>Group</u>	<u>Asset Limit</u>
One-person families	\$2,000
Two-person families	\$3,000
For families of more than two, add \$50 for each additional member	

For 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 recipients are subject to a gross income test. Gross income less a deduction of up to \$50 of child support income 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>
\$670	\$903	\$1,136	\$1,370

Benefit Calculation

A recipient's benefit equals the difference between countable income (income after specified deductions) and the maximum benefit. If countable income exceeds the maximum benefit, the family is not eligible for assistance.

Countable income equals gross monthly income less two-thirds of earnings.

Maximum Benefit Levels

Maximum monthly benefit levels vary for different groups of families. They also vary by region.

Benefits for: All families except child-only assistance units

<u>Family Size</u>	<u>In Region with Most Recipients</u>	<u>Lowest in State</u>	<u>Highest in State</u>
1	\$212	\$173	\$212
2	\$278	\$257	\$278
3	\$377	\$349	\$377
4	\$414	\$389	\$414

Benefits for: Child-only assistance units

<u>Family Size</u>	<u>In Region with Most Recipients</u>	<u>Lowest in State</u>	<u>Highest in State</u>
1	\$102	\$94	\$102
2	\$201	\$188	\$201
3	\$249	\$237	\$249
4	\$319	\$302	\$319

II. Rules Used to Determine Applicants' Initial Eligibility

Asset Test

Applicants must meet the same asset test as recipients, listed above.

Gross Income Limit

Applicants are subject to the gross income test for recipients shown above.

Net Income Test

An applicant's net income (income after specified deductions) must fall below the maximum benefit for a family of its size. If net income is below the limit, the applicant is eligible for assistance, and benefits are calculated as described above for recipients.

Net income equals gross monthly income less the following deductions:

- child support income, up to a maximum of \$50
- \$90 of earnings

III. Other Rules Affecting Eligibility or Benefit Levels

Treatment of Child Support Income

The first \$50 in child support is passed through to the family and disregarded for eligibility and benefit determination purposes. Any remainder is retained by the state as reimbursement for cash assistance payments. If the remainder exceeds the maximum benefit, the family is ineligible.

Treatment of Housing Assistance

Eligibility and benefits are not affected by a family's actual housing costs or by residence in subsidized housing.

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

As under AFDC, when a family receives a non-recurring lump sum payment, such as a personal injury award or lottery winnings, the family is ineligible for assistance for a period of months equal to the lump sum divided by the state's need standard.

Individual Development Accounts

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

The state's IDA program is a pilot program. As resources permit, up to 1,000 families may participate. An appropriation for the pilot programs was enacted in the Spring 1998 legislative session.

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

- Post-secondary educational expenses
- First home purchase
- Business capitalization
- Work-related vehicle

An individual's IDA contributions must come from earnings.

The IDA program includes a provision for matching funds. Matching contributions are made from:

- Federal TANF funds
- Non-profit organizations
- Private contributions (e.g., corporations, foundations)
- Private contributions from individuals

A participant's contributions are matched on a \$1-to-\$1 basis.

New Unearned Income Rules

If a family includes a member receiving government disability payments other than SSI, the individual can be excluded from the assistance unit if the disability benefit exceeds the difference between the family grant with and without the individual. When determining how much of the individual's income should be considered income available to the family (whether the individual is included or excluded from the unit) amounts up to the SSI standard payment amount are not counted as income.