



# Financial Eligibility Rules for TANF Cash Assistance

## Louisiana

### 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 equity value of a car above \$10,000 is treated as a countable asset. The entire equity value of second and additional cars is counted as an asset.

#### Gross Income Limit

Applicants and recipients are not subject to a gross income test.

#### 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 (income after specified deductions) and the maximum benefit.

Countable income equals gross monthly income less the following deductions:

- \$120 of earnings
- For recipients only: \$900 of earnings for six months (available only once in a lifetime)
- deduction for full amount of out-of-pocket child care expenses

## Maximum Benefit Levels

The maximum monthly benefit levels by family size are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$72	\$138	\$190	\$234

## 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 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

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

## **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
- Training costs in a program approved by the state; work-related clothing, tools, or equipment

The maximum amount that may be maintained in an IDA is \$6,000.

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

- Any source of income; contributions from a non-profit organization

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

The state IDA program does not match federal TANF IDA criteria, and would not be exempt from counting in other federal programs (except Food Stamps, via categorical eligibility).