



Financial Eligibility Rules for TANF Cash Assistance

Missouri

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>
Recipients who sign a Self Sufficiency Pact (SSP)	\$5,000
Other recipients	\$1,000

For recipients who own a car, the value of one car is excluded entirely from countable assets. In addition, \$1,500 equity in a second automobile is excluded.

Gross Income Limit

All recipients are subject to a gross income test. Gross monthly 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>
\$727	\$1,254	\$1,565	\$1,832

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 these deductions in the following order:

- \$120 and one-third of remaining earnings for four months; then \$120 of earnings for the next eight months; and then \$90 of earnings for subsequent months
- deduction for out-of-pocket child care expenses: up to \$200 per month for children age 2 and under, and up to \$175 a month for children 2 to 13

NOTE: As a result of legislation enacted in 1999, countable income for recipients for the first 12 months of employment will be measured as gross income less 67% of earnings (and less out-of-pocket child care expenses).

Maximum Benefit Levels

Maximum monthly benefits are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$136	\$234	\$292	\$342

II. Rules Used to Determine Applicants' Initial Eligibility

Asset Test

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

Gross Income Limit

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

Net Income Test

An applicant's net income (income after specified deductions) must fall below the state's standard of need. If net income is below the standard if need, the next step in eligibility determination is the benefit calculation step described above. It is worth noting that some families that meet the net income test may have earnings that are too high to qualify for assistance under the benefit calculation step.

Net income equals gross monthly income less these deductions in the following order:

-- \$90 of earnings, unless the applicant received benefits within the prior four months. If so, the deduction is \$120 and one-third of remaining earnings.

— deduction for out-of-pocket child care expenses: up to \$200 per month for children age 2 and under, and up to \$175 a month for children 2 to 13

Standard of Need by Family Size

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$393	\$678	\$846	\$990

III. 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 does not authorize Individual Development Accounts (IDAs) for TANF-eligible families.