



Financial Eligibility Rules for TANF Cash Assistance

New Jersey

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

Asset Test

Recipients must have countable assets below \$2,000.

For recipients who own a car, the fair market value of a car above \$9,500 is treated as a countable asset. The fair market value of a second car up to \$4,650 is excluded.

Gross Income Limit

Recipients are not subject to a gross income test.

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:

- up to \$50 in child support income
- If an unemployed recipient begins working, 100% of earnings for one month
- 50% of earnings for all other families

Maximum Benefit Levels

The maximum benefit levels are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$162	\$322	\$424	\$488

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 a gross income test. Gross income less up to \$50 of child support income must fall below 150% of the maximum benefit.

The gross income limit amounts are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$243	\$482	\$636	\$732

If an applicant's income is less than the gross income amount, the next step in eligibility determination is the benefit calculation step described above.

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

Non-recurring lump sum income, such as a personal injury award or lottery winnings, is claimed by the state as repayment for prior cash assistance and emergency assistance payments received by the family. Any monies remaining are used to determine a period of ineligibility utilizing a new schedule.

Individual Development Accounts

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

New Unearned Income Rules

Temporary Disability Income and Workers' Compensation are now treated as unearned income in determining eligibility and benefit levels.