



Financial Eligibility Rules for TANF Cash Assistance

South Carolina

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

Asset Test

Applicants and recipients must have countable assets below \$2,500.

For applicants and recipients who own a car, \$10,000 fair market value is excluded for each licensed driver. Entire fair market value of other cars is counted.

Gross Income Limit

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>
\$620	\$836	\$1,053	\$1,267

Benefit Calculation

The state determines benefit amounts using "fill-the-gap" methodology, as follows:

1) Countable income is calculated. Countable income equals gross monthly income less and earned income deduction. The deduction is 50% of earnings for applicant sand for recipients in the first four months, and then \$100 of earnings in subsequent months.

2) Countable income is subtracted from the standard of need. If countable income exceeds the standard of need, the family is ineligible for assistance. The standards of need are equal to half of the federal poverty guideline. In 1998, the amounts by family size were:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$335	\$452	\$559	\$685

3) The benefit amount equals the lesser of the maximum benefit and a percentage of the difference between countable income and the standard of need. In 1998, the percentage was 35.5%.

Maximum Benefit Level

Maximum monthly benefits by family size are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$119	\$160	\$201	\$242

II. Other Rules Affecting Eligibility or Benefit Levels

Treatment of Child Support Income

Child support is counted as income under the state's fill-the-gap budgeting rules when determining eligibility and benefits.

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

Up to \$10,000 in non-recurring lump sum income can be put in an Individual Development Account (IDA). If it is not deposited into an IDA, lump sum income is treated as an asset.

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
- First home purchase
- Business capitalization
- Job training expenses

The maximum amount that may be maintained in an IDA is \$10,000.

An individual's IDA contributions can come from earnings or any other source.

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