



Financial Eligibility Rules for TANF Cash Assistance

South Dakota

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 fair market value of a car above \$4,650 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 and the maximum benefit.

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

- \$90 and 20% of remaining earnings
- deduction for out-of-pocket child care expenses if family works full-time: up to \$200 per month for children age 2 and under, and up to \$175 a month for children over age 2

Maximum Benefit Levels

Maximum benefit levels vary for different groups of families:

	<u>Family Size</u>			
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
Families living in unsubsidized housing in which a caretaker has sole responsibility for shelter costs, except families living with an SSI recipient	\$304	\$380	\$430	\$478
All other families, except child-only assistance units	\$173	\$250	\$300	\$350
Child-only assistance units not placed by a placement agency	\$250	\$300	\$350	\$399
Child-only assistance units placed by a child placement agency	\$300	\$350	\$399	\$448

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 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

The first \$2,000 of non-recurring lump sum income, such as a personal injury award or lottery winnings, is not counted as income or assets. The remainder is treated as an asset starting in the month after the month in which it is received.

Treatment of Housing Assistance

As noted above, the maximum benefit for which a family may be eligible varies based on whether or not the family receives housing assistance.

Individual Development Accounts

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