



Financial Eligibility Rules for TANF Cash Assistance

Utah

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 equity value of a car above \$8,000 is treated as a countable asset. The entire equity value of second and additional cars is counted as an asset.

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:

Gross Income Limits by Family Size

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$608	\$843	\$1,050	\$1,230

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:

- \$100 and 50% of remaining earnings
- deduction for out-of-pocket child care expenses if families work at least 100 hours per month: up to \$200 per month for children age 2 and under, and up to \$175 a month for children over 2

Maximum Benefit Levels

Maximum monthly benefit levels are as follows:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$261	\$362	\$451	\$528

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 maximum benefit for a family of its size. If net income is below the limit, the applicant is eligible for assistance, and benefits are calculated as described above for recipients.

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

- \$100 of earnings, unless the applicant received assistance in the prior four months. If so, the deduction is \$100 and 50% of remaining earnings
- deduction for out-of-pocket child care expenses if families work at least 100 hours per month: up to \$200 per month for children age 2 and under, and up to \$175 a month for children over age 2

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 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 Housing Assistance

Eligibility and benefits are not affected by a family's actual housing costs or by residence in subsidized housing.

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 income in the month it is received. Any remaining amount is treated as an asset in subsequent months.

Individual Development Accounts

State policy authorizes Individual Development Accounts (IDAs) for cash assistance recipients.

The state's IDA program is a pilot program.

State statute allows IDAs, but the policy had not yet been developed in 1998.