



# Financial Eligibility Rules For TANF Cash Assistance

## Washington

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

#### Asset Test

Applicants must have countable assets below \$1,000. Recipients must have countable assets below \$4,000, though countable assets other than savings must be below \$1,000.

For families without a disabled household member, the equity value of a car below \$5,000 is excluded as a countable asset. For families with a disabled household member, the value of one car is excluded entirely from countable assets.

The entire equity value of second and additional cars is counted as an asset.

#### Gross Income Limit

Applicants and 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>
Families with a shelter cost obligation	\$1,458	\$1,843	\$2,281	\$2,683
Families with no shelter cost	\$890	\$1,125	\$1,391	\$1,635

## 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 50% of earnings.

## 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 with a shelter cost obligation	\$349	\$440	\$546	\$642
Families with no shelter cost obligation	\$212	\$268	\$332	\$391

## 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 Housing Assistance

As noted above, the maximum benefit levels are lower for families that have no shelter cost obligation.

### 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**

Compensatory awards are treated as an asset starting in the month following the month of receipt. All other lump sum income will first be treated as an asset. Any amount above the asset limit will be counted as income. The amount counted as income may lead to ineligibility for benefits for no more than two months. After than, any remaining funds are 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

There is no limit to the amount that may be maintained in an IDA.

An individual's IDA contributions must come from earnings.

The IDA program includes a provision for matching funds. Matching contributions are made from non-profit organizations.

As of 1998, no community-based organizations had been designated as "qualified entities" to implement IDAs.