



Financial Eligibility Rules for TANF Cash Assistance

Michigan

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

Asset Test

Applicants and recipients must have countable assets below \$3,000.

For applicants and recipients who own a car, the entire value of all cars is excluded. The value of second and additional cars is treated the same as the first car.

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:

- child support income, up to a maximum of \$50.
- \$200 and 20% of remaining earnings.

Maximum Benefit Levels

Maximum benefit levels vary for different groups of families. They also vary by region.

Benefits for: All families except child-only assistance units

<u>Family Size</u>	<u>In Region with Most Recipients</u>	<u>Lowest in State</u>	<u>Highest in State</u>
1	\$276	\$255	\$305
2	\$371	\$341	\$401
3	\$459	\$424	\$489
4	\$563	\$528	\$593

Benefits for: Child-only assistance units

<u>Family Size</u>	<u>In Region with Most Recipients</u>	<u>Lowest in State</u>	<u>Highest in State</u>
1	\$96	\$86	\$96
2	\$184	\$169	\$184
3	\$288	\$273	\$288
4	\$384	\$369	\$384

II. 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 treated as an asset starting in the month it is received.

Individual Development Accounts

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