



# Financial Eligibility Rules for TANF Cash Assistance

## Nebraska

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

#### Asset Test

Applicants and recipients are subject to the following limits on countable assets:

<u>Group</u>	<u>Asset Limit</u>
Families of two or more	\$6,000
One-person families	\$4,000

For applicants and recipients who own a car, 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

Neither applicants nor recipients are subject to a gross income test.

#### 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 these deductions in the following order:

- 20% of earned income.
- deduction for full amount of out-of-pocket child care expenses

2) Countable earned income is subtracted from the standard of need. Applicants and recipients are eligible for benefits if countable income falls below these standard of need amounts:

<u>Family Size</u>			
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>
\$365	\$450	\$535	\$620

3) Identify the lower of the maximum benefit (see below) and the difference between countable earned income and the standard of need.

4) The actual benefit equals the amount from step three less unearned income (such as child support).

### **Maximum Benefit Levels**

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>
\$222	\$293	\$364	\$435

## **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**

When a self-supporting individual living in the household who is not included in the assistance unit (or an individual outside the household) pays the full cost of shelter for the family, a shelter amount set by the state is counted as unearned income for purposes of benefit and eligibility determination.

### **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 after the month in which it is received.

## **Individual Development Accounts**

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