

GENERAL INFORMATION SYSTEM
Center for Employment & Economic Supports

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TO: TA Directors, FS Directors, HEAP Directors

FROM: Russell Sykes, Deputy Commissioner, Center for Employment and Economic Supports

SUBJECT: Federal Economic Stimulus Tax Rebate

EFFECTIVE DATE: Immediately

CONTACT PERSON: Temporary Assistance Bureau at 1-800-343-8859; ext. 4-9344
Food Stamp Policy Bureau at 1-800-343-8859; ext. 3-1469
HEAP Policy Bureau at 1-800-343-8859; ext. 3-0332

On February 13, 2008 President Bush signed into law the Economic Stimulus Act of 2008, Public Law 110-185, which provides for payments of up to \$600 per taxpayer (\$1,200 for a joint tax return) and \$300 for each minor child in the household. These payments will be issued starting in May 2008. It is anticipated that it will take several months to issue payments to all of those who are eligible. The purpose of this GIS is to explain how districts must treat these tax rebates when determining eligibility for Temporary Assistance, Food Stamps and the Home Energy Assistance Program.

For purposes of determining eligibility under any federal program or under any state or local program financed in whole or in-part with federal funds, the Economic Stimulus Act of 2008 mandates that these payments are not countable income or a countable resource for the month of receipt and the following two months, For consistency New York State has opted to apply this policy to its federally non-participating Safety Net Assistance program (FNP-SNA).

Temporary Assistance

Tax rebate checks received under the Economic Stimulus Act of 2008 must be excluded as income when determining initial and recurring eligibility, when determining the benefit level for recurring TA and when determining income eligibility for emergency TA.

Additionally, districts must exempt these tax rebates as a countable resource for the month of receipt and the following two months. This includes exempting the tax rebates as a resource for recurring TA and prohibits a district from considering these tax rebates as an available resource to meet an emergency need when determining eligibility for emergency TA.

For example, if a household receives a tax rebate in May 2008, the district must not count it as income or a resource for May and must exempt it as a countable resource for June and July. In August, if the household has remaining funds from the tax rebate, the district must count the remaining funds as a non-exempt resource. This resource exemption applies to all categories of assistance including emergency assistance.

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The tax rebate stimulus income and resource exclusions apply to both federally and State/locally funded categories of Safety Net Assistance (SNA-FP and SNA-FNP), to Family Assistance (FA) and to all categories of emergency assistance including Emergency Aid to Families (EAF), Emergency Safety Net Assistance (ESNA) and Emergency Aid to Adults (EAA).

Food Stamps

Exclusion of Tax Rebates as Income for the Food Stamp Program

The Food Stamp Program will exclude these rebate checks from income when determining eligibility, determining allotments, and for all other purposes. This policy will apply to all households receiving food stamp benefits.

Exclusion and Treatment of Tax Rebates as a Resource for the Food Stamp Program

With the expansion of categorical eligibility for the Food Stamp Program (See 07 ADM-9), most households applying for or receiving food stamp benefits no longer face a resource test when determining eligibility for food stamp benefits. Therefore, under no circumstances should the tax rebate be considered as a resource when evaluating the eligibility of a categorically eligible household. We remind the local districts that this expansion of categorical eligibility includes applicants for and recipients of both TA-FS and non-TA-FS benefits.

The tax rebates for those households still subject to a resource test (**those with an elderly or disabled member whose income exceeds 200% of poverty or a household with a sanctioned member**), are to be treated as follows when evaluating resources and Food Stamp Program eligibility.

- **The full amount of the rebate is excluded as a resource for the month of receipt and for the next two months**, any household that receives a rebate and deposits it into an account (with or without other funds) would have the value of that account reduced by the amount of the rebate for the three-month period.
- **If the rebate is held as cash, it is not to be counted as a resource during the three-month period.**
- When determining eligibility for expedited processing, the full amount of the rebate is excluded as a resource for the month of receipt and for the next two months. In other words, the full amount of the rebate is not considered an available liquid resource for households applying for FS within the three month period.
- This policy applies to all applicant households as well as any household that reports a change in resource level during the three-month period of exclusion.
- We remind the local districts that those FS households that still are subject to a resource test and that also are subject to the simplified (six-month) reporting rules are not required to report changes in resources except at recertification and when filing a periodic report. Therefore, they are not required to report receipt of the rebate.
- However, if a household should report at the end of the three-month exclusion period that it has exceeded its resource limit, action should be taken to terminate the household's benefits in accordance with ongoing policy.

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HEAP

The HEAP Program will exclude these rebate checks from income when determining eligibility. The payments, or any remaining amounts, are not countable as a resource for the month of receipt and the following two months.

SSI/RSDI

Supplemental Security Income – Title XVI (SSI) recipients will not qualify for the federal stimulus payments. However, SSI recipients who receive at least \$250 in Retirement, Survivor, and Disability Insurance – Title II (RSDI) benefits in addition to SSI do qualify for the payments. We expect that up to one third of all NYS SSI recipients may qualify for stimulus payments.

- Stimulus payments will not be counted as income for purposes of determining eligibility and payment amount for SSI.
- If the stimulus payment is retained by the SSI recipient, it will not be counted as a resource by the Social Security Administration for two months following the month of receipt. For example, if the individual receives a payment in May 2008, it will be excluded from resources for June 2008 and July 2008. In this example the funds, if retained, would be countable as a resource starting in August 2008.