

From the Hotline

Q. Some of my recipients have begun to receive income tax refunds. How are the income tax refunds treated for each program?

A. For TAFDC and EAEDC, income tax refunds, exclusive of the Earned Income Credit (EIC) are not counted as income, but are considered a countable asset. However, any portion of a tax refund received as EIC is noncountable as an asset or as income in the month received or the following month, but any remaining portion of the EIC is countable as an asset in the third month. See 106 CMR 204.120(I) and 106 CMR 321.120(I).

For food stamp benefit purposes, income tax refunds are treated as nonrecurring lump sum payments. These payments are counted as an asset in the month received. If the refund includes an EIC portion, the EIC portion is noncountable in the month of receipt and the following month. Any federal, state or local EIC received by an AU member is excluded for 12 months provided the AU member was participating in the Food Stamp Program at the time of receiving the EIC and provided the AU member participates continuously during that 12-month period. See 106 CMR 363.130(E) and 106 CMR 363.140(H).

Q. An 18-year-old dependent child included in his mother's TAFDC assistance unit until his graduation date in June works part time. Do we count any of his income toward food stamp eligibility?

A. Earned income of a student age 18 who attends secondary school or attends GED classes is countable when determining a household's eligibility and benefit level for food stamp benefits. See 106 CMR 363.230 (H).

Q. I have a TAFDC recipient sanctioned for failure to comply with the TAFDC work requirements. Since her TAFDC grant was reduced, does she receive an increase in her food stamp benefits?

A. No. A TAFDC recipient does not receive an increase in food stamp benefits when sanctioned for failure to comply with the TAFDC work requirements. See 106 CMR 365.130 and Field Operations Memo 96-32.

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