

DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION		TEMPORARY CASH ASSISTANCE MANUAL
CALCULATING INCOME OF INELIGIBLE HOUSEHOLD MEMBERS 907	COMAR 07.03.03.12	FINANCIAL ELIGIBILITY- 900

907.1 PRORATED INCOME

- A. The income of the following ineligible household members is **prorated**:
1. An individual who has not provided a Social Security Number or proof of filing for one
 2. An illegal or undocumented immigrant
 3. An individual in violation of parole or probation
 4. An individual convicted of a felony after August 22, 1996 involving the possession, use, or distribution of a controlled substance
 5. A fleeing felon
 6. An individual within the 10 year penalty period for misrepresentation of residence to get cash assistance from 2 or more states
- B. Prorate the income as follows:
1. If the ineligible individual is an applicant, the initial needs test must be done using the **20%** earned income disregard or **50%** self employed disregard (if self-employed).
 2. If the applicant passes the initial needs test, then the following deductions are given:
 - a. Disregard 40% of the gross earned income, or 50% of the self-employment income (the cost to produce is included)
 - b. Deduct child care expenses up to the maximum of \$200 per month per child for full-time employment or up to the maximum of \$100 per month per child for part-time employment
 - c. Deduct child support payments made to people outside of the assistance unit
 - d. Deduct alimony payments made to people living outside of the assistance unit (for stepparent and sponsor cases only)
 - e. Add all unearned income
 - f. Divide the result by the number of individuals in the assistance unit, **including the ineligible member**, and then
 - g. Multiply the result by the number of individuals in the assistance unit **excluding the ineligible member**

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3. The result is the amount of countable income available to the assistance unit from the ineligible household member

907.2 EXCLUDED INCOME

Income of the following excluded household members **shall not be counted** as available to the assistance unit:

- A. The earned income of a sanctioned child (all unearned income of a sanctioned child is counted)
- B. The income or assets of an Supplemental Security Income customer (SSI)
- C. An adoption subsidy received for a child in the household, but not in the assistance unit
- D. Foster care payments received for a child in the household, but not in the assistance unit

EXAMPLES:

Example 1. Ms. Fancy is applying for TCA for herself and 3 children. Ms. Fancy is in the US with work authorization only, so she is not eligible for TCA. Ms. Fancy works part-time and earns \$125 per week. She pays \$50.00 per week for childcare. Since she is not eligible, her income must be prorated.

$$\$125 \times 4 = \$500 \text{ (monthly income)}$$

Since she is an applicant, she must pass the initial needs test.

$$\$500 \times 20\% = \$100$$

$$\underline{-100}$$

$$\$400 \text{ countable income}$$

$$\$400$$

$$\underline{-200} \text{ (child care)}$$

$$\$200$$

$$\$200 / 4 \text{ (number in assistance unit, including Ms. Fancy)} = \$50$$

$$\$50 \times 3 \text{ (number of eligible members in the assistance unit)} = \$150$$

\$150 is less than the grant for 3 (\$574) so the initial needs test was passed.

The 40% disregard must be given:

$$\$500 \text{ earned income} \times 40\% = \$200 \text{ earned income disregarded}$$

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\$500 earned income
-200 disregard amount
\$300 countable income

\$300 countable income
- 200 (child care)
\$100 countable income after child care deduction

\$100 / 4 (number in assistance unit, **including** Ms. Fancy) = \$25

\$25 x 3 (number of eligible members in the assistance unit) = \$75

\$75 is the net earned income available to the eligible members.

Grant for 3 = \$574

- 75 (net earned income available from prorated income)
\$499 (TCA grant amount)

Example 2. Mrs. Delay, an applicant, is an undocumented immigrant. She has an 8 year-old daughter, works part time, earns \$400 a month, and pays \$100 a month for child care. All factors of eligibility have been established. Mrs. Delay cannot be in the assistance unit, at this time, but her income must be used to determine the benefit amount for her daughter.

\$400 = Gross monthly earnings

X 20% initial needs test disregard

\$80 = disregard

\$ 400 - \$80 = \$320 countable income

\$320 countable income

- 100 = Child care expense

\$220 ÷ 2 (number in assistance unit, **including** Mrs. Delay) = \$110

\$110 x 1 (number in assistance unit, **excluding** Mrs. Delay) = \$110

\$110 is less than \$ \$259 (the TCA grant for one), therefore Mrs. Delay has passed the initial needs test and is eligible to receive the 40% disregard of earnings

\$400 = Gross monthly earnings x40%= \$160

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-160 = 40% disregard

\$240

-100 = Child care expense

\$140 ÷ 2 (number in assistance unit, **including** Mrs. Delay) = \$70

\$70 x 1 (number in assistance unit, **excluding** Mrs. Delay) = \$70

\$70 is the net amount available to her 8 year-old daughter

\$ 259 = The TCA benefit grant for 1 person (her daughter)

- 70 = Net income available from Mrs. Delay to her daughter

\$ 189 = The TCA grant amount