

Resources

510 DEFINITIONS

511 RESOURCES

Resources are assets or possessions which a household can convert to cash to meet immediate needs. Income cannot be counted as both income and a resource in the same month (e.g., earned income is budgeted on the case and pay checks are also deposited in the bank each pay day).

Examples of resources are cash, bank accounts, Electronic Benefits Transfer (EBT) **cash** accounts, stocks, bonds, certificates of deposit, vehicles, boats, recreational vehicles (RVs) not used as a residence, buildings, land and mineral rights. Camper shells/units would only be evaluated as a resource if not purchased with the vehicle and currently not in use. If a camper shell/unit purchased separately is on the vehicle (truck) or being used to live in, it is exempt. Individual or household pets, which do not generate income, are exempt and not considered a resource (i.e., cats, dogs, snakes, rodents, birds, horses, fish, turtles, ducks, chickens, pigs, etc.). If animals are the means of generating monthly or periodic income for the family, refer to manual section A-700, which identifies countable income, self-employment and lump sum money.

511.1 Sole Ownership

All of the resource is available to the household.

511.2 Requirement to Pursue Resources

Household members must pursue and take advantage of all resources to which they are legally entitled. Develop a plan with the household allowing a reasonable amount of time to pursue the potential resource. This plan should include time frames for obtaining the information, taking into account circumstances which may impact its availability (e.g., probate, escrow, out-of-area entities, etc.). Inform the household of their obligation to pursue the resource. Do not consider the resource when determining eligibility until it is available to the household.

Exception: A resource need not be pursued if it would be unreasonable. Unreasonable includes

The cost to pursue the resource exceeds its potential value or pursuit causes potential financial hardship.

- Pursuing the resource would endanger the household member’s health or safety.
- Legal action is required, but a private attorney or legal service refuses to accept the case. A reasonable effort to obtain legal assistance must be demonstrated.

512 FAIR MARKET VALUE

The amount the resource would bring if sold on the current local market is its fair market value.

513 EQUITY

Equity is the amount of money that would be available to the owner after the sale of a resource. Determine this amount by subtracting from the fair market value any money owed on the item and the costs normally associated with the sale and transfer of the item.

514 INACCESSIBLE RESOURCES

The cash value of resources which are not legally available to the household are considered inaccessible and are exempt. Examples of resources not legally available are irrevocable trust funds, property in probate, and security deposits on rental property and utilities.

- A non-liquid resource is considered inaccessible if the equity value is less than the resource limit. A resource is also considered inaccessible if the existence of the resource is unknown to the household; or its sale or disposition is unlikely to produce any significant return or the cost of its sale would be relatively high. A vehicle is considered “inaccessible” if it would produce \$1,500 or less if sold.

515 LIQUID AND NON-LIQUID RESOURCES

Liquid resources are those which are readily negotiable (such as cash, checking or savings accounts, savings certificates, stocks, bonds, IRA's, or Keogh Plans).

Non-liquid resources include vehicles, buildings, land, or certain other property. The equity value of Non-liquid resources is countable (except for vehicles, as explained in manual section A-550) unless the resource is specifically exempted.

516 PERSONAL POSSESSIONS

Personal possessions include furniture, appliances, jewelry, clothing, livestock, farm equipment and other items if the applicant uses them to meet personal needs essential for daily living.

Family pets or ownership of animals (not income producing), which include a variety of animals and livestock (e.g., horses, rabbits, dogs, cats [big/small], snakes, monkeys, fish), are not a resource. However, always evaluate the ownership of large numbers or herds of animals to determine if they are part of an income producing business.

520 RESOURCE LIMITS

A household is ineligible if the total value of countable resources:

- Is over \$10,000 per TANF assistance unit.
 - On or after the first interview date is:
 - Over \$4,250 in households with a disabled member or a member age 60 or over;
 - Over \$2,750 for all other households.

521 CATEGORICALLY ELIGIBLE HOUSEHOLDS

Do not apply the SNAP resource test to households that have been determined categorically eligible based on the policy in A-100. It is not necessary to request or verify resources when the entire household has been determined categorically eligible.

522 TANF AND SSI RECIPIENTS IN MIXED SNAP HOUSEHOLDS

The resources of TANF and SSI recipients are exempt for SNAP. Do not include them in the resource total for households not meeting expanded categorical eligibility. A household member is considered to be a TANF or SSI recipient if approved for TANF or SSI even if the benefit:

- has not yet been received,
- is suspended,
- is being recouped, or
- will not be paid because the benefit is less than \$10.

522.1 Resources Jointly Owned by TANF and SSI Recipients and Household Members Not Meeting Expanded Categorical Eligibility

Determine countable resources of a TANF or SSI recipient as follows, if a resource is owned with another member of the same SNAP household who does not meet expanded categorical eligibility:

- **Non-liquid resources** — Exempt the TANF or SSI recipient's portion of a Non-liquid resource if it is jointly owned with another member of the SNAP household.
- **Liquid resources** — Determine if the liquid resource is exempt or countable, as follows:
 - **Commingled resources** — When a TANF or SSI recipient combines resources with those of a non-categorically eligible household member, exempt the TANF or SSI recipient's portion of the resources for six months from the month they were combined. After six months, count the total amount of commingled resources as an available resource to the non-categorically eligible recipient if it continues to be accessible.
 - **Jointly owned resources (not commingled)** — Exempt these resources if all money is contributed only by the TANF or SSI recipient, and the resource is used solely for
 - expenses of the TANF or SSI recipient, or
 - common household expenses.

530 TYPES OF RESOURCES

The following resources are either countable or exempt, depending on the program.

531 BURIAL PLOT

Exempt one burial plot for each household member.

Exempt one burial plot for each non-household member if it is owned by a household member.

532 ADVANCED EARNED INCOME TAX CREDITS (EITC)

An Advanced EITC payment received in an employee's paycheck before their income tax return is filed is not considered a resource.

533 LIQUID CASH ACCOUNTS**533.1 Bank Accounts**

Bank accounts include credit union checking/savings accounts. The low balance for the month is applied to the resource limit.

The value of a "debit card" account(s) which contains income from sources such as: Unemployment Compensation (UIB) benefits, Supplemental Security Income (SSI), Veterans benefits, Child Support etc., are considered bank accounts.

Any income deposited into these accounts, less amounts deposited in the current month, is a countable resource.

533.2 Electronic Benefits Transfer (EBT) Cash Account

The value of any EBT **cash** account, less amounts deposited in the current month, is a countable resource, unless excluded as the resource of a categorically eligible member in a SNAP household.

Verification requirements for bank accounts also apply to the EBT cash account.

533.3 Individual Development Account (IDA)

The use of Individual Development Accounts (IDAs) are intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. Federal funds match the amount of earnings low-income working individuals and families deposit into an IDA. IDA savings are to be used for a first home purchase, post secondary educational expenses, or business capitalization.

The Social Security Act provides for State Family Assistance Grant funds to be used to establish IDA. State Family Assistance Grant funds are (not all inclusive):

- Temporary Assistance for Needy Families (TANF); and
- Welfare-to-Work (WtW).

The Assets for Independence Act (AFIA) provides for IDAs to be established under:

- Head Start;
- Low Income Home Energy Assistance (LIHEA); and
- Community Services.

EXEMPT (while the individual is participating in the IDA program):

- Any earned income deposited into an established IDA by the household;
- Matching funds deposited into an established IDA; and
- The interest accruing on the matching funds.

Earned income deposited into an IDA is budgeted when determining eligibility and benefit amounts for the month received. Once the earned income is deposited into the IDA, the funds are excluded resources.

An individual, whose participation in the IDA program has terminated, voluntarily or otherwise, would no longer be covered by the exemption.

533.4 Tax-Preferred Education Accounts

Exempt all tax-preferred education accounts including Qualified Tuition programs described in Section 529 of the Internal Revenue Code of 1986 and Coverdell education savings accounts under Section 530 of the same code. This includes the Nevada Prepaid Tuition Program and the UPROMISE College Fund 529 Plan.

533.5 Crowdfunding Accounts

Crowdfunding websites such as GoFundMe, KickStarter, and Indiegogo are online platforms that allow individual donors to fund specific campaigns such as charity, individuals in need, projects and business ventures.

There are two basic ways that funds are accessed: Either at any point during the campaign or the accountholder must wait until the campaign is finished, The determination for how crowd accounts are factored for SNAP or TANF eligibility decisions depends on when the funds become available to the account holder. Information on how the funds are accessed must be elicited from the client at the interview.

The funds become a countable resource when they are available. Count the actual value of accessible funds to household at the time of interview.

534 PLACE OF RESIDENCE

The usual residence and surrounding (contiguous) property not separated by property owned by others is exempt. However, the exemption still applies if the surrounding property is separated from the home by public rights of way, such as roads. Other houses on the property that cannot be sold separately are also exempt.

Real property outside of Nevada cannot be claimed as a primary or usual residence.

Households that currently do not own a home, but own or are purchasing a lot on which they intend to build or are building a permanent home, receive the exemption for the lot and, if partially completed, for the home.

534.1 Temporarily Unoccupied Residence

Exempt a home temporarily unoccupied because of employment, training for future employment, illness, casualty, or natural disaster, if the household intends to return.

534.2 Sale of a Homestead

Count money remaining from the sale of a homestead as a resource.

535 EVALUATION OF INACCESSIBLE/UNAVAILABLE RESOURCES**535.1 Jointly Owned Resources**

The value of resources owned solely by a household member are used to determine eligibility. When resources are owned jointly, count only the portion available to the household member.

- When a resource can be sold or disposed of without another person's signature, count the total equity value.
- When the household member's share of a resource can be sold or disposed of without another person's signature, count the total equity value of their share.
- If the household member provides proof they cannot dispose of their share of a resource without the other owner's permission, the resource is counted only if the other owner gives their consent to the disposal or sale. This does not apply to real property unless it was obtained during a valid marriage and considered community property. All other types of real property holdings do not require the other owner's approval to dispose of another owner's portion of the property.

This bullet also applies to Nevada domestic partners for TANF eligibility.

Exceptions: When the household member is a representative payee or legal guardian managing someone else's funds, the funds are not counted if kept in a separate account and there is proof the funds belong to someone other than the household member.

- The value of a resource jointly owned by more than one TANF or SSI recipient is divided equally among the owners.
- The equity value of vehicles owned jointly by more than one TANF/SSI recipient is divided among the owners. The disregard is applied to the TANF recipient's portion.
- Bank accounts used to determine an SSI recipient's eligibility are not used to determine a TANF recipient's eligibility.

Exempt a vehicle if it is jointly owned by a SNAP household member and a nonhousehold member who does not live with the household, provided the vehicle is unavailable to the household member because the household member does not have possession, or use of, the vehicle **AND** the household member is unable to sell the vehicle (e.g.; the signature of the co-owner(s) is needed and they will not sign). Vehicles registered in Nevada as Jane Doe **OR** John Doe require only one of the parties' signatures to sell the vehicle. Those registered as Jane Doe **AND** John Doe require both parties' signatures to sell.

535.2 Trust Funds

All trust funds/accounts and annuities are referred to the Chief of Eligibility and Payments for a decision of availability of the trust or determination of lump sum or monthly unearned income type for annuities. This includes living trusts, investment annuities and structured settlement annuities. The worker must obtain the trust/annuity document or agreement and any other verification pertaining to the trust/annuity before requesting a determination of availability or type of annuity.

535.2.1 Trust and Annuity Referrals

All trust/annuity referrals must be sent through the Chief of Eligibility and Payments in Central Office with Form 6009. The Chief of Eligibility and Payments will evaluate the information submitted.

Do not refer *Minor Blocked Trusts* if the court order and accompanying documentation of how the trust is held, verify the trust is blocked. If the trust is blocked, it is considered an inaccessible resource.

- **Do not** refer trusts to the Chief of Eligibility and Payments if the household's resources, including the trust, are under the appropriate resource limit.

535.3 Resources of Residents in Shelters for Battered Women and Children

Resources held jointly by residents in shelters for battered women and children and their former households are exempt if:

- the shelter resident's access to the value of the resource depends on the agreement of a joint owner who still lives in the resident's former household.
- the resources are jointly owned by the household in the shelter and by members of the former household.

536 INCOME-PRODUCING PROPERTY

Exempt property that is essential to a household member's income (employment, self-employment, rental property, vacation home, etc.) if the property:

- annually produces income consistent with its fair market value, even if used only on a seasonal basis.
- is necessary for the maintenance or use of a vehicle exempted as income producing or as necessary for transporting a physically disabled household member. Exempt only that portion of the property that is used for this purpose.

Note: For farmers or fishermen, continue to exempt the value of the land or equipment for one year from the date that the self-employment ceases.

Continue to exempt this property during temporary periods of unemployment if the client expects to return to work.

Exception: Exempt property must be in current use or returned to use within one (1) year.

537 LIFE INSURANCE

Count the cash surrender value (CSV) of life insurance policies.

Verification of the CSV is not necessary unless the amount is questionable or close to the maximum allowable limits.

Insurance policies with no CSV provision are not considered a resource.

Exempt the cash value of life insurance policies and pension funds.

538 LOANS (NON-EDUCATIONAL)

Financial assistance from a private source, including but not limited to money loaned from a friend, family member, bank, church or any other private individual, office or organization (includes Reverse Mortgage home equity loans), is a loan if:

- there is an understanding or a written contract the money is to be repaid. A written statement or contractual agreement from the applicant/recipient and the lender is acceptable verification.

Exempt loans from resources.

Exempt loans from resources; however, if the money from loans is deposited into an account with countable funds, the exempt portion is disregarded for six months from the date funds are commingled. After this time period, the entire balance in the account is counted toward the resource limit.

539 LUMP SUM PAYMENTS

Count lump sum payments received once a year or less frequently as resources in the month received (unless specifically excluded by other federal laws). Countable lump sum payments include, but are not limited to, retroactive lump sum RSDI, public assistance, retirement benefits, investment annuities or other such payments; insurance settlements (including some structured settlement annuities); refunds of security deposits on rental property or utilities.

Exception: Count contributions, gifts, and prizes as unearned income in the month received.

See E&P MS A-700 to determine if lump sum payments received or anticipated more often than once a year are counted as unearned income in the month received.

Child Support arrearages are evaluated as lump sum payments for SNAP.

539.1 Federal Tax Refunds

The total amount of a Federal Tax Refund received after December 17, 2010 is disregarded as income and resource in the month received and an additional 11 months for a total of 12 months.

540 PERSONAL POSSESSIONS

Exempt personal possessions.

541 PREPAID FUNERAL/BURIAL INSURANCE

Exempt the value of prepaid burial insurance policies, funeral plans, funeral agreements and insurance policies.

542 REAL PROPERTY

Count the *equity* value of real property unless it is otherwise exempt. Real property is defined as land and any improvements on it. This does not apply to the home and land in which the household is currently living.

Exempt real property directly related to the maintenance or use of a vehicle that is necessary for self-employment or to transport a physically or mentally disabled household member. An example of this would be a garage needed for storage/maintenance of a vehicle needed for self-employment. Each case circumstance must be reviewed individually. If only a portion of the property is for maintenance or vehicle use, only that portion is exempt for this purpose. The equity value of any remaining portion is counted unless exempt.

542.1 Exemption Based on Good Faith Effort to Sell

Exempt real property the household is trying to sell at a fair market price for up to six months if the household

- makes a good faith effort to sell the property, and
- signs the Property Exemption and Recipient Repayment Agreement Form 2651. By signing this form the household agrees to sell the property and repay the Division from the net proceeds, the amount of TANF cash assistance received during the six-month period. The household is also advised there is only one six-month exemption per piece of property.

Exempt real property the household is making a good faith effort to sell at a fair market price.

If the property is not sold, assistance is terminated at the end of the six-month period and an overpayment is computed when the property is sold. The case must be monitored for sales after assistance is terminated.

542.2 Verification of Good Faith Effort to Sell Real Property

The household must provide proof;

- the property is for sale, and
- the household has not refused a reasonable offer at fair market price.

Review the case in the third month of the exemption period to ensure the property is for sale and the household is making a good faith effort to sell it.

Real property the household claims is not saleable is exempt. Verification of this claim must be provided from two different sources in the property's geographic area.

The household must also verify no offers to purchase have been received. Once a reasonable offer is made, whether the household accepts it or not, the property is no longer considered “not saleable”. The property now has value and is no longer exempt.

Verification sources include real estate brokers or salespersons, bank or other lending associations/institutions, title companies, or county assessor(s), etc.

542.3 Documentation of Good Faith Effort to Sell

Document the reason for exempting the property and the household's efforts to sell it.

542.4 Worker Actions Following Approval

If the property:

- is sold **in** or **before** the **sixth month**, redetermine eligibility for future months and request immediate repayment of the assistance provided during the period the property was exempt. The amount of any remaining proceeds from the sale of the property are counted as a resource.
- is sold but only a portion of the TANF benefits are repaid; redetermine eligibility for future months, calculate an overpayment and initiate collection action for the unrepaid benefits received during the exemption period. Any remaining proceeds from the sale are counted as resources.
- is sold and the household spends all the proceeds without repaying benefits received during the exemption period, calculate an overpayment. TANF continues if the household is otherwise eligible; however, refer the case to I & R to determine if this is an Intentional Program Violation (IPV). In addition, begin recoupment of the overpayment using grant deduction.
- is not sold by the sixth month count the equity value of the property as a resource beginning the seventh month. If the equity value and other countable resources do not exceed the resource limit, assistance continues. If the resource limit is exceeded assistance is terminated at the end of the sixth month. **Note:** An overpayment is not calculated until the property is sold.

In all cases, if the net proceeds from the sale are less than the benefits paid, recover only the lesser of the benefits paid or net proceeds received from the sale of the property. When determining if an overpayment exists, add the amount of the net proceeds to other countable resources of the household at the beginning of the six-month period. If the total is less than the resource limit, there is no overpayment.

If assistance is terminated for another reason prior to the end of the six-month exemption period, document the months the property was exempted and calculate an overpayment when the property is sold. If the household reapplies, continue to exempt the property for the remaining months of the six-month period.

543 REIMBURSEMENTS

Count as a resource in the month after receipt if retained by the household.

544 RESOURCES OF A NON-CITIZEN'S SPONSOR

A sponsored non-citizen is a non-citizen for whom a person (the sponsor) has executed an affidavit of support (INS Form I-864 or I-864A) on behalf of the non-citizen pursuant to section 213 of the INA.

Sponsored non-citizens entering the country on or after August 22, 1996 are sponsored with a legally enforceable affidavit of sponsorship. This sponsorship remains in effect and the sponsor's income must be deemed until one of the following conditions are met:

- The non-citizen gains U.S. Citizenship;
- The non-citizen has worked and can receive credit for 40 qualifying quarters;
or;
- The sponsor dies

Note: If sponsored non-citizens demonstrate they or their children have been battered or subjected to extreme cruelty by certain persons in the same household, and the battery has substantial connection to the need for public benefits, deeming may not apply in certain circumstances. This requires recognition of the battery or cruelty by a judge, an administrative law judge, or United States Citizenship and Immigration Service (USCIS). These provisions do not apply if the battered non-citizen is currently living with the batterer.

Determine the total **countable** amount of the sponsor and sponsor's spouse's resources using the same criteria as an applicant/recipient, **then:**

- Subtract \$1,500 from the countable resources.
- The **remainder** is deemed to the eligible non-citizen and used to determine eligibility.

Exception: If someone sponsors more than one non-citizen, prorate the amount of countable resources evenly among all the non-citizens who apply for or receive benefits.

545 RESOURCES OF DISQUALIFIED PERSONS

Resources of disqualified persons are counted in the same manner as for those not disqualified.

546 RESOURCES EXEMPTED BY FEDERAL LAWS

Exempt the following payments as resources.

546.1 Government Payments

The payments are exempt if the household is subject to legal sanction when the funds are not used as intended.

Examples: Payments by the Individual and Family Grant Program or the Small Business Administration to rebuild a home or replace personal possessions damaged in a disaster.

546.2 Native and Indian Claims and Distributions

Native and Indian claims and distribution information and judicial rulings affecting income and resources pertaining to Indians is found in Public Law 93-134 Section 7. Per capita payments shall not be considered as income or resources when determining the extent of eligibility for assistance under the Social Security Act, unless as specifically limited. (See Section 736.4 for Tribes included and limitations). The information may not be all inclusive. Contact program staff in Eligibility and Payments for clarification.

546.2.1 Native Trust Lands

In determining the resources of an individual (and spouse, if any) who is of Indian descent from a federally recognized Indian tribe, exclude any interest of the individual (or spouse, if any) in land which is held in trust by the United States for an individual Indian or tribe, or which is held by an individual Indian or tribe and which can only be sold, transferred, or otherwise disposed of with the approval of other individuals, his or her tribe, or an agency of the federal government. [59 FR 8538, February 23, 1994]

546.2.2 Trust or Restricted Lands

Interests of individual Indians in trust or restricted lands shall not be considered a resource, and up to \$2,000 per year of income received by individual Indians that is derived from such interests, i.e., leases, shall not be considered income, in determining eligibility for assistance under the Social Security Act, or any other federal or federally assisted program, pursuant to Section 13736 of PL 103-66, 107 Stat. 663, 25 U.S.C. 1408, as amended. (See Section 736.4 for Tribes included.)

Note: Exempt up to \$2,000 of the total income in the month received, and apply any balance in the next month as a resource. For example, a tribal member leases his land, receiving \$5,000 in yearly lease payments. Exempt \$2,000 each year in the month received and apply the balance of \$3,000 as a countable resource in the following month.

546.2.3 Alaskan Native Distribution

Exclude distributions received by an individual Alaska Native or descendant of an Alaska Native from an Alaska Native Regional and Village Corporation pursuant to the Alaska Native Claims Settlement Act, as follows: cash, including cash dividends on stock received from a Native Corporation to the extent that it does not, in the aggregate, exceed \$2,000 per individual each year; stock, including stock issued or distributed by a Native Corporation as a dividend or distribution on stock; a partnership interest; land or an interest in land, including land or an interest in land received from a Native Corporation as a dividend or distribution on stock; and an interest in a settlement trust. This exclusion is pursuant to *Section 15 of the Alaska Native Claims Settlement Act Amendments of 1987, PL 100-241, 101 Stat. 1812, 43 U.S.C. 1626(c), effective February 3, 1988.*

546.3 Certain Native Lands and Mineral Rights

Provisions of the National Industrial Recovery Act, the Emergency Relief Appropriation Act, and Section 55 of the act of August 24, 1935, and lastly Public Law 94-114, conveyed portions of lands and subsurface mineral rights to designated tribes, including accrued income. Funds distributed to the members of the tribes identified or to their households are excluded as income or resources for the purposes of determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program. (*See Section 738.4.4 for Tribes included.*)

546.4 Payments to Civilians Relocated During Wartime

Payments made under Title I of PL 100-383 are exempt. These payments are made to Aleuts or individuals of Japanese ancestry (or their heirs) who were relocated during World War II.

546.5 Relocation Assistance

Exempt payments provided from

- the Uniform Relocation Assistance and Real Properties Acquisition Act of 1970.
- Public Law 93-531 to members of the Navajo or Hopi Tribes.

546.6 Independent Living Payments

Independent living payments are payments from Title IV-E funds and are distributed by Division of Child and Family Services to certain individuals when they leave foster care. Payments in this category:

- must be received for a minimum of three months; and
- cannot exceed \$300 a month; and

- cannot total more than \$800; and
- are intended for expenses other than room and board.

Independent living payments are exempt.

546.7 Radiation Exposure Compensation Act Payments

Lump sum payments provided from the Radiation Exposure Compensation Act, PL 101-426 are exempt.

The Act established a program to compensate individuals for injuries or death resulting from the exposure to radiation from nuclear testing and uranium mining. When the affected individual is deceased, payments are made to the surviving spouse, children, parents, grandchildren, or grandparents.

546.8 Payments to Victims of Nazi Persecution

Payments to individuals because of their status as victims of Nazi persecution are exempt (includes Holocaust and Swiss payments).

547 PAYMENTS EXEMPT AS A RESOURCE WHILE BEING CONSIDERED INCOME

Income which is budgeted for a particular month, is not counted as a resource at the same time. If income is prorated and budgeted for a period of months, do not count any portion of the income as a resource during the same months **Example:** income of students or self-employed persons which is prorated over several months.

If this money is combined with countable funds, such as a bank account, exempt the prorated amounts for the time it is prorated.

548 RESOURCES OF STEPPARENTS

When the stepparent is included in the assistance unit, their resources are considered. If they are not included, their resources are not counted.

Exceptions:

- When a stepparent and legal parent reside in the home, and jointly own a resource, count one-half of the resource as available to the legal parent.

549 RETIREMENT ACCOUNTS

A retirement account is one in which an employee and/or the employer contributes money intended to provide for retirement.

The amount of money in a retirement account, which is not an IRA or Keogh plan, is exempt even if accessible with a penalty. The money remains exempt until withdrawn from the retirement account.

If a monthly retirement check is received, count it as income in the month received.

If the total amount is withdrawn in a lump sum, it is counted as a resource beginning the month received.

549.1 Individual Retirement Accounts (IRAs)

An individual retirement account (IRA) is an account to which an individual contributes an amount of money to supplement retirement income (regardless of participation in a group retirement plan). If an excluded type of plan is rolled over into an IRA, the cash value loses its exclusion and becomes a countable resource after roll-over. **Note:** Simplified Employer Pension Plans (SEPs) are considered IRAs by banks and the IRS, and are countable as a resource.

Count money in an IRA as a resource, even if there is a penalty for early withdrawal. Deduct the early withdrawal penalty and count the remainder as a resource.

Exempt money in an IRA plan as a resource even if it is accessible with a penalty.

549.2 Keogh Plans

A Keogh plan is an individual retirement account for a self-employed individual.

Count money in a non-exempt Keogh plan as a resource, even if there is a penalty for early withdrawal. Deduct the early withdrawal penalty and count the remainder as a resource.

Exempt money in a Keogh plan as a resource even if it is accessible with a penalty.

Exception: Do not count Keogh plans as a resource if there is a contractual withdrawal agreement with other people who are not household members but share the same fund. Consider this resource inaccessible.

549.3 Vested Retirement Accounts

A vested retirement account is an account to which an employee makes contributions for a specified period of time as defined by the employer. The money contributed by the employee is not matched by the employer until the defined period of time ends.

Exempt this money as a resource even if it is accessible with a penalty.

549.4 401K Plans

The term 401K refers to the section of the Internal Revenue Service Code. A 401K plan allows an employee to postpone receiving a portion of current income until retirement.

Exempt money in a 401K plan as a resource even if it is accessible with a penalty.

549.5 Other Plans

The following are considered exempt resources:

- Section 401(a), which includes funds commonly known as “tax qualified retirement plans”.
- Section 403(a), which includes funds that are similar to 401(a) plans but are funded through annuity contracts.
- Exempt 457 plans (state and local governments, and other tax-exempt organizations).
- Federal Employee Thrift Savings plan.
- Section 501(c)(18) plans (retirement plans consisting of employee contributions to certain trusts that must have been established before June 1959).
- Section 403(b) plans (tax-sheltered annuities provided or employees of tax-exempt organizations, and state and local educational organizations).
- Section 529A, which includes funds in a qualified ABLE program.

550 VEHICLES**550.1 Determining Vehicles as Countable Resources**

Effective 4/1/2019, exempt two vehicles per TANF assistance unit.

Exempt the total value of

- one vehicle no matter the value and vehicles owned by a categorically eligible household; and

Exempt other licensed vehicles that

- are leased;
 - used at least 50% of the time for income-producing purposes, such as taxis, farm trucks, fishing boats;
 - produce annual income consistent with their fair market value, even if only used on a seasonal basis;
 - are necessary for long-distance travel for employment, such as the vehicle of a traveling salesperson or migrant farm worker who is following the migrant stream (this does not include daily commuting);
 - are necessary for subsistence hunting or fishing;
 - are used as the household's home;
- are necessary to transport physically/mentally disabled household and/or non-household members, regardless of the purpose of the trip. Exempt no more than one vehicle as needed for each disabled member. There is no requirement that the vehicle be used primarily for the disabled person. If necessary, use the work-registration criteria (not all inclusive) as a guideline to determine disability for this exclusion.
 - have a value considered "inaccessible" (sale would produce \$1,500 or less);
 - are necessary to carry fuel or water.

Examples of situations in which a vehicle may be exempt because it is necessary to carry the household's primary source of water or fuel for heating include the following:

- The home does not have any utilities hooked up; or
- The home is hooked up to utilities, but can't be used for some reason, such as:
 - ◆ there is a verifiable health risk if the household drinks the water, or
 - ◆ the utilities have been disconnected because the household failed to pay their bills.

The vehicle exemption remains in effect until the applicable criteria no longer exist.

Evaluate the following vehicles for the fair market value above \$4,650:

- one licensed vehicle per adult household member, and
- any other licensed vehicles for **each teenager** in the household who drives to work, school, job training, or to look for work.

Count only the value over \$4,650 as a resource.

Evaluate all additional licensed or unlicensed vehicles (not previously excluded) for:

The fair market value above \$4,650

and

The equity value (fair market value minus encumbrances).

All vehicles, not previously exempted, are evaluated based on the fair market value and the equity value:

- Vehicles other than the household's two claimed exempt vehicles are evaluated for equity value. This amount is counted as a resource.
- A leased vehicle is evaluated by determining the fair market value, less encumbrances.

Count as a resource only the greater of the two values.

Example: A non-exempt vehicle has a fair market value of \$5,000. The client owes \$2,000 for an equity value of \$3,000. The difference between \$4,650 and \$5,000 is \$350. The countable resource value for this vehicle would be \$3,000, the higher of the two values.

Unlicensed vehicles regularly driven by tribal members on Indian land are evaluated the same as licensed vehicles.

See vehicle resource determination chart.

See manual section A-500 for jointly owned vehicle provisions. **Note:** Non-exempt or inaccessible vehicles owned in whole or part by the SNAP household are evaluated and counted as a resource. The entire value of the vehicle is considered accessible to both or all parties if the vehicle is not exempt or determined to be inaccessible (if sold, the equity value would be \$1,500 or less). If a jointly owned vehicle is stolen or is located in another state and the household cannot access the vehicle, it is not considered an accessible resource.

550.2 How To Determine Fair Market Value of Vehicles

If applicable, determine the fair market value (FMV) of licensed vehicles using the “Good” trade-in value on the Internet (www.kbb.com) OR in the most current Kelly Blue Book (if available). The FMV of a vehicle is not increased because of low mileage, optional equipment, or special equipment for the handicapped. Allow the standard equipment when providing details of the vehicle. If the mileage is unknown, apply 12,000 miles for each year of the age of the vehicle. **Example:** Evaluation is conducted in January 2004 for a 1996 vehicle; mileage would be 8 years x 12,000 = 96,000.

Note: If the household claims the listed value does not apply, allow the household to provide proof of the value from a reliable source, such as a bank loan officer or a local licensed car dealer.

If applicable, proof of the value of **licensed or unlicensed** antique, custom made, classic vehicles or those vehicles no longer listed in the Kelly Blue Book or Internet web site must be provided if the value provided by the household is questionable. If requested, the household must provide an appraisal from a licensed car dealer or other evidence of the car's value such as a tax assessment or a newspaper advertisement indicating the sale value of similar vehicles.

If applicable, determine the value of new automobiles not yet listed in the Kelly Blue Book or Internet web site by asking the household to provide an estimate of the trade-in value from a new car dealer or bank loan officer. If this cannot be done, accept the client's estimate unless it is questionable and would affect eligibility. Use the car's loan value only if other sources are unavailable.

550.3 Vehicle Determination Chart

Vehicles	Exempt	Fair Market Value Test Fair Market Value \$\$ -\$4,650 Excess Value	Equity Test Fair Market Value \$\$ -Amount Owed Equity Value
One vehicle regardless of the value	Yes	Exempt	Exempt
Producing income	Yes	Exempt	Exempt
Transporting disabled household member <i>(participating or disqualified)</i>	Yes	Exempt	Exempt
Carrying heating fuel or water	Yes	Exempt	Exempt
Used as a home	Yes	Exempt	Exempt
Necessary for long-distance travel for employment	Yes	Exempt	Exempt
Subsistence fishing/hunting	Yes	Exempt	Exempt
Leased vehicle	Yes	Exempt	Exempt
Value is "inaccessible" (<i>sale would produce \$1,500 or less</i>)	Yes	Exempt	Exempt
Categorically Eligible Household Vehicles	Yes	Exempt	Exempt
One licensed vehicle per adult household member after exempting the highest valued vehicle per household (see above)	No	Count Excess Value	Do Not Evaluate
Any other licensed vehicles for each teenager in the household who drives to work, school, job training, or to look for work.	No	Count Excess Value	Do Not Evaluate

For all additional vehicles not listed above, determine the Fair Market Value in excess of \$4,650 and the countable Equity Value. Count the greater of the two values as a resource.

Vehicles	Exempt	Fair Market Value Test Fair Market Value \$\$ -\$4,650 Excess Value	Equity Test Fair Market Value \$\$ -Amount Owed Equity Value
Additional licensed vehicles	No	Count the greater of the two values	Count the greater of the two values
Unlicensed Vehicles (other than the exception for unlicensed vehicles driven on Indian land. These vehicles are evaluated the same as a licensed vehicle. Be sure to evaluate any exemptions)	No	Count the greater of the two values	Count the greater of the two values

551 FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

Section 544 of the National Affordable Housing Act established the Family Self-Sufficiency (FSS) Program. The program is administered by the Department of Housing and Urban Development (HUD), and its purpose is to enable participating families to achieve economic independence and self-sufficiency.

The program is for certain families residing in public housing or receiving Section 8 assistance. An FSS participant whose rent is increased by HUD due to an increase in earned income will have the rent amount increase placed in an escrow account. The funds will continue to accrue in the escrow account for as long as the family participates in FSS and remains in public housing. The escrow funds cannot be paid to the family as long as they are receiving any federal, state or other public assistance for housing.

The funds deposited into these escrow accounts, including any accrued interest, are neither income nor resources for TANF or SNAP. At such time as the family ceases to receive public housing assistance, the funds would be available and must be evaluated as a resource.

552 STOCKS/BONDS

Shares of stock represent ownership in a business or corporation. Their value shifts with demand and may fluctuate widely.

U.S. Savings Bonds are obligations of the federal government. Unlike other government bonds, they are not transferable; they can only be sold back to the federal government. U.S. Savings Bonds cannot be redeemed for six months after the issue date specified on the face of the bond.

A municipal bond is the obligation of a state or locality (county, city, town, or special purpose authority such as a school district).

A corporate bond is the obligation of a private corporation.

Evaluate stocks and/or bonds which can be sold or redeemed at current market value, less encumbrances.

The value of all stocks/bonds are countable as resources except stocks/bonds which cannot be sold or redeemed.

560 TRANSFERRING RESOURCES

560.1 Penalties for Transferring Resources

Households are ineligible for SNAP benefits if, within three months before application or any time after certification, they transfer a countable resource for less than its fair market value to qualify for assistance. This penalty applies **only** if the total of the transferred resource added to other resources would have affected eligibility. Eligibility for SNAP will not be affected by:

- Resources transferred between members of the same household.
- Separated spouses and one spouse transfers property (the other spouse’s eligibility is not affected).
- Resources sold or traded at or near fair market value.
- Resources transferred for a reason other than to qualify for SNAP, such as a parent placing funds in an inaccessible trust fund for a child’s education, or as a result of a divorce settlement or other court order.

560.2 How To Determine Intent

How recent was the transfer of property?

How did the applicant support himself after transferring the resource? If the applicant was self-supporting or was supported by the person who received the property, then the applicant's intent was to have support rather than qualify for benefits.

How did the applicant transfer the property? If the applicant loaned the property but cannot recover its value after making a reasonable effort, they are eligible.

Special or unpredictable hardships that prevent payment for the transferred resource do not affect eligibility. Supervisory approval must be obtained in these situations.

560.3 Length of the SNAP Household’s Disqualification Period

Base the length of the SNAP household’s disqualification on the amount by which the transferred **countable** resource exceeds the resource maximum of \$2,750 (\$4,250 for elderly/disabled households) when added to other countable resources.

Amount in Excess of Resource Limit	Period of Denial
\$.01 to \$249.99	1 month
\$250 to \$999.99	3 months
\$1,000 to \$2,999.99	6 months
\$3,000 to \$4,999.99	9 months
\$5,000 and more	12 months

Example: A one-person household has \$1,500 in a bank account and transfers ownership of a countable car (see manual section A-550.2) worth a fair market value of \$7,000. The first \$4,650 of the car's value is exempt. Add the remaining \$2,350 to the other \$1,500 resource which totals \$3,850. Use the excess of \$3,850 less the resource limit of \$2,750 (\$1,100) to determine the number of months of ineligibility (use the resource limit of \$4,250 for an elderly/disabled household). According to the above chart, the household would be ineligible for six months.

The disqualification period is **capped at 12 months** for households with excess resources of \$5,000 or more.

560.4 Beginning the Disqualification Period

The disqualification period begins with the date of discovery, unless the household is currently certified.

If the household is currently certified, the disqualification period begins the following month, after notifying the household and allowing adverse action.

570 VERIFICATION

All resources are verified at initial application, at redetermination or recertification if questionable, whenever a new resource is reported and any time the household is nearing the resource limits.

Exception:

Households are exempt from verifying resources for SNAP resource limits if the entire household is certified as categorically eligible based on receipt of cash TANF, non cash TANF support benefits, SSI, General-County Assistance (GA), Interim Assistance (IA), Indian General Assistance (IGA) or under Expanded Categorical Eligibility.

580 DOCUMENTATION

Document the status, countable or exempt, of all household resources. Identify all resources and the computations used to determine their equity or countable values.

Compare the total value of countable resources to the resource limit for each program and indicate whether or not the household is eligible.