



30 East Broad Street Columbus, Ohio 43215-3414
jfs.ohio.gov

OFFICE OF FAMILY STABILITY LETTER #69A

April 17, 2008

TO: Directors, County Departments of Job and Family Services

FROM: Jeanne Carroll, Deputy Director
Office of Family Stability

SUBJECT: Economic Stimulus Payments – Impact on Food Stamps, Cash Assistance and PRC

Starting in May 2008, the U.S. Department of Treasury will be sending out a one-time economic stimulus payment to more than 130 million individuals. The IRS will use the 2007 federal income tax return to determine eligibility and calculate the basic amount of the payment. We issued Office of Family Stability Letter #69 to bring this program to your attention and urged you to get the word out regarding the need to file tax returns in order to receive the payment. This letter explains how the economic stimulus payment will affect food stamp benefits, cash assistance and PRC.

How will the payment impact food stamp benefits, cash assistance and PRC?

Section 101(d) of the Economic Stimulus Act states:

(d) Refunds Disregarded in the Administration of Federal Programs and Federally Assisted Programs - Any credit or refund allowed or made to any individual by reason of section 6428 of the Internal Revenue Code of 1986 (as amended by this section) or by reason of subsection (c) of this section shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following 2 months, for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

These payments are excluded from income when determining eligibility, determining allotments, and for all other purposes for the Food Stamp Program, Ohio Works First (OWF), Disability Financial Assistance (DFA) and Prevention, Retention and Contingency (PRC) programs and services. This policy will be the case for all assistance groups.

Ohio Works First: For the OWF program, the payment will not have any impact. The payment would be considered income in the month received, and would therefore be exempt in that month. If the payment is retained after the month received, it would be considered a resource, and because the OWF program does not have a resource limit, the payment will have no impact on assistance groups receiving OWF. O.A.C. 5101:1-23-20 (D)(2).

Food Stamps: For the food stamp program, because the payment is excluded as a resource for the month of receipt and for the next 2 months, any assistance group that receives a payment and deposits it into an account (with or without other funds) would have the value of that account reduced by the amount of the payment for the 3-month period. If the payment is held as cash, it would not be counted. This policy applies to all applicant assistance groups as well as any assistance group that reports a change in resource level. If the assistance group has exceeded the food stamp resource limit due to the payment amount at the end of the 3-month period, the assistance group will no longer be eligible for food stamp benefits, unless the assistance group is otherwise categorically eligible. O.A.C. 5101:4-4-07(B).

Disability Financial Assistance: For DFA , the payment would be considered as income in the month received, and would therefore be exempt in that month. If the payment is retained after the month received, it would be considered a resource and the amount would be excluded for the next 2 months. If the assistance group has exceeded its resource limit due to the payment amount at the end of the 3-month period, the assistance group will no longer be eligible for DFA. O.A.C. 5101:1-5-40(C).

Prevention Retention and Contingency Program: All income that is federally excluded in the determination of eligibility for federal needs-based programs is excluded as income and resources for PRC purposes. O.A.C. 5101:1-24-20 (B). For PRC benefits and services, the payment shall be excluded as income and resources for the month of receipt and the following 2 months. Treatment of the payment at the end of the 3-month period will depend upon the county PRC plan and whether it includes a resource limit.

Where can questions be sent?

Please send any questions about the impact of economic stimulus payments on food stamps, cash assistance and PRC to the TANF-FSTA mailbox, or contact Program Policy Services at 1-866-886-3537 (option 6).

c:

Helen E. Jones-Kelley, Director
Fred Williams, Assistant Director
Mary Ann Drewry, Assistant Director
Terry Thomas, Assistant Director
ODJFS Deputy Directors

Loretta Adams, OJFSDA
Crystal Allen, PCSAO
Kim Newsome, OCDA
Larry Long, CCAO
Family Stability Staff