3. Consideration Of Future Income

NOTE: When the amount of an anticipated income source is determined by use of an income tax return, it is not necessary to change the method by which that income source is anticipated at each redetermination prior to the next tax return, unless the anticipated income from that source for the upcoming certification period is expected to change.

When the client reasonably expects to receive income from a new source during the new certification period, or when the amount of income from an old source is expected to change, the Worker must consider the income which can be reasonably expected to be received.

NOTE: When self-employment income is anticipated, proceeds from the sale of capital goods and equipment must be anticipated also. See Section 10.4,D for capitol goods and equipment.

NOTE: When the amount of income or the date of receipt cannot be reasonably anticipated, income from that source is not considered until the necessary information can be obtained. See Step 2 below.

Step 1: Determine if the Income Group expects to receive income from a new source, or expects a different amount from an old source, in the new certification period.

If not, none of the following steps are necessary. However, the Worker must record the client's statement that he does not expected income from a new source.

Step 2: Determine the amount of income the client can be reasonably expected to receive from the new source, or the new amount from the old source.

If the amount of income cannot be reasonably anticipated, none of the following steps are necessary and income from this source is not considered for the new certification period. The Worker must record the client's statement that he expects income from a new source or that the amount from an old source will change.

In addition, the Worker must record why the amount of income cannot be reasonably anticipated and information about all the attempts made to determine the amount.

both occupied and unoccupied homes may use the obligations for both homes as a deduction.

NOTE: When the client claims expenses for his home as a self-employment expense, the deduction can be either a shelter deduction or a cost of doing business, but the total deduction given must not exceed the actual expense. See item D below.

a. Shelter Costs

Items considered in arriving at shelter costs are the continuing amounts of:

- Rent. Security or damage deposits are not a shelter expense.

- Mortgage payments. This includes second mortgages and home equity loans and any other loans for which the dwelling is used as collateral.

- Interest on mortgage payments

- Condominium and association fees, regardless of purpose for the fees.

- Payments paid to an escrow account that has been established to pay property taxes and homeowner's insurance.

- Property taxes and special tax assessments on the structure and lot required by State or local law. This does not include assessments such as police and fire fees, unless the fee is based on property valuation.

- Insurance on the structure and lot. This does not include insurance on furniture or personal belongings.

  If the insurance cost on the structure and the cost on the personal belongings/furniture cannot be identified separately, the entire insurance payment is allowed.

- Cost of repairing the home which was damaged or destroyed due to a natural disaster or misfortune including, but not limited to, fire, flood or freezing temperatures. This does not include charges that will be or have been reimbursed from any source such as insurance, private agency, etc.

3. Determining The Amount Of The Benefit

To determine the coupon allotment, find the countable income and the number in the AG in Appendix C. One-and two-person AG's who meet the gross and net income test or who are categorically eligible, as defined in Section 1.4,R automatically receive a minimum $16 monthly benefit, unless it is a prorated benefit. See Appendix D. No benefits are issued to any AG eligible for an initial, prorated amount of $1 - $9. See Chapter 1 for proration requirements.

Although Appendix C of this Chapter (10), Basis of Issuance, provides benefit amounts based upon countable income, the Worker may determine the benefit amount by using the following method. This method is also used by RAPIDS to determine the benefit.

Computation of Benefit Amount	Example
Multiply net income by 30%.... (Round up)	$ 554 Net monthly income X .30 $166.20 = $167
Subtract 30% of net income from the maximum monthly benefit for the AG size...........	$668 Maximum allotment for 4 - 167 30% of net income $501 SNAP benefit for a full month

D. SPECIAL SITUATIONS

1. Categorical Eligibility

There are no special income calculations for those who are Categorically Eligible. Although there is no gross or net income test, countable SNAP income is still calculated the same way it is for all other SNAP AG's. See Chapter 1 for Categorical Eligibility information.

The gross income test is passed.

5. Migrant Farm Laborers With Seasonal Employment

See item D.

6. Annual Contract Employment

This section applies to any person employed under a yearly contract, such as school employees, including bus drivers, cooks, janitors, aides and professional staff.

These individuals have their annual income prorated over a 12-month period. Additional earnings, such as for summer work, are added to the prorated amount during the time additional earnings are received.

Although a person may not have signed a new annual contract, he is still considered employed under an annual contract when the contract is automatically renewable, or when he has implied renewal rights. Implied renewal rights are most commonly associated with school contracts.

NOTE: This item does not apply during strike and disaster situations when the other party to the contract cannot fulfill it; or when labor disputes interrupt the flow of earnings specified in the contract. This item also does not apply to migrant workers or substitute employees.

7. Educational Income

All student financial assistance is excluded in its entirety.

Excluded educational assistance includes, but is not limited to:

- Federal Pell Grants

- Federal Supplemental Educational Opportunity Grants (FSEOG)

- Guaranteed Student Loans, including William D. Ford Federal Direct Loan Program and Federal Direct PLUS loans and Supplemental Loans for Students, Federal Family Education Loan (FFEL) Program

- Leveraging Educational Assistance Partnership (LEAP) and Special Leveraging Educational Assistance Partnership (SLEAP) Programs, formerly known as State Student Incentive Grants

- Individuals subject to an enumeration penalty

- Ineligible aliens

However, his income is deemed as follows:

Step 1: The total non-excluded income of the ineligible individual is divided by the number of persons in the AG, plus the ineligible individual(s). This is each individual's prorata share.

Step 2: Subtract the disqualified individual(s') share from his total non-excluded income. The remaining amount is counted as income to the AG.

The Earned Income Disregard is applied only to the portion deemed to the AG.

The portion of the AG's allowable child support payments, shelter and dependent care expenses, which is billed to and/or paid by the ineligible individual is prorated as described above.

NOTE: No portion of an AG's SUA is prorated due to the ineligibility of an AG member.

EXAMPLE: The household consists of father, mother and three children. The father has earnings of $500 per month and is an ineligible individual. There is no other income in the home and the father pays the $250 rent.

Income for the AG is calculated as follows:

Step 1: $500 ÷ 5 = $100 Pro rata income share for each person

Step 2: $500 Father's income
-100 Father's pro rata share
$400 Deemed to AG as earned income

The shelter expense is calculated as follows:

Step 1: $250 ÷ 5 = $50 Pro rata rent share for each person

Step 2:

$250	Rent paid by father
- 50	Father's pro rata share
$200	Used as shelter expense for AG

(2) Disqualified Individuals

The income of the following disqualified and excluded individual(s) is counted as if he were a member of the AG.

- An individual who is in a SNAP penalty for failure to comply with SNAP work requirements. See Section 13.6.

- An individual who is excluded by law. See Section 9.1,A.

- An individual who has been found guilty of an Intentional Program Violation (IPV). See Section 9.1,A.

- An individual convicted of trafficking SNAP benefits for a controlled substance. See Section 9.1,A.

All applicable exclusions, disregards, and deductions apply to the individual(s) income**,** however, the individual is not included in the AG when determining eligibility or benefit level.

NOTE: In no instance is it acceptable for the benefit level to increase when an individual is disqualified and all other case circumstances are the same. Should this happen, please notify the DFA Policy Unit.

b. Failure to Comply With Public Assistance Requirements

NOTE: WV WORKS is the only benefit in West Virginia to which this policy applies.

SNAP benefits must not increase due to a reduction, suspension or termination of income from a federal, State or local welfare or public assistance program, when the reduction (suspension or termination) is due to the client's failure to comply with a requirement of the program. The client must be a SNAP recipient at the time of the failure to comply. This includes a reduction, suspension or termination to accomplish repayment, when the reason for repayment is failure to comply with a program's requirements. This applies to reductions, suspensions or terminations which begin on or after August 1, 1996.

In addition, this applies to any reduction, suspension or termination which was decided or applied as of May 31, 1996 and which has not expired as of August 1, 1996.

For these purposes, all three of the following conditions must be met to meet the definition of a federal, State or local welfare or public assistance program. The program must:

- Be means-tested, and
- Distribute publicly-funded benefits, and
- Be governed by welfare or public assistance laws or regulations.