NOTE: For these purposes, a new source of earned income means income from a different employer. Income that normally fluctuates does not require use of future income. Future income is used for old sources only when the hourly, weekly, monthly, etc. rate of pay changes or the number of hours worked during a pay period increases or decreases permanently.

EXAMPLE: The T family members have the following income: Mr. T has earnings that fluctuate greatly from week to week. He expects no change in his earnings. Mrs. T was earning a substantial monthly salary, but was laid off last week. She will begin work next week at a job that pays $5.15/hr. She does not know how many hours she will work, but her employer has told her she will work a minimum of 20 hrs/wk. Mr. T's income is anticipated by using his past income as an indication of what he can expect to receive in the certification period. Mrs. T's income from an old source cannot be used because it will not be received in the upcoming certification period. Instead, the Worker must anticipate what her future earnings will be based on the best information available at the time. Mr. T's source of income meets the requirements for using past income to anticipate the future income, but Mrs. T's source is new and must be projected.

2. Consideration Of Past 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.

NOTE: For the use of year-to-date amounts on pay stubs, See Section 4.2,B.

It is necessary to consider information about the client's income sources before the Worker can decide which income to use.

The Worker must follow the steps below for each old income source.

Step 1: Determine the amount of income received by all persons in the Income Group in the 30 calendar days prior to the application/redetermination date**, or interview date when the interview is completed on a different day than the application is received.**

The appropriate time period is determined by counting back 30 days beginning with the calendar day prior to the date of application/redetermination. However, if the interview is completed on a different day than the date the application/redetermination is received, the 30-day look-back period could begin the day before the interview date. The income from this 30-day period is the minimum amount of income which must be considered. When, in the Worker's judgment, future income may be more reasonably anticipated by considering the income from a longer period of time, the Worker considers income for the time period he determines to be reasonable. Whether the Worker considers income from the prior 30 days, or from a longer period of time, all of the income received from that source during that time period must be considered. All pay periods during the appropriate time period must be considered and must be consecutive.

If the client provided sufficient income verification on the date of application/redetermination or interview, the income received on the day of application/ redetermination or interview is not required.

EXAMPLE: Application/interview date = June 1st
Paid weekly on Fridays

Pays in last 30 days = May 28th
May 21st
May 14th
May 7th

EXAMPLE: Application/interview date = December 6th
Paid weekly on Mondays

Pays in last 30 days = November 29th
November 22nd
November 15th
November 8th

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EXAMPLE: Application date = October 8th **
Interview date = October 20th **
Paid weekly on Fridays

Pays in last 30 days (prior to application) =
October 1st
September 24th
September 17th
September 10th

Or

Pays in last 30 days (prior to interview) =
October 15
October 8
October 1
September 24

Step 2: Determine if the income from the previous 30 days is reasonably expected to continue into the new certification period.

If it is not expected to continue, the income from this source is no longer considered for use in the new certification period.

If it is expected to continue, determine if the amount is reasonably expected to be more or less the same. If so, the income source is used for the new certification period and treated according to item 4 below. If it is not expected to continue at more or less the same amount, the income source is used for the new certification period and treated according to item 3 below.

Step 3: Record the results of Step 2, including the amount of income, why the source is or is not being considered for the new certification period, the client's statement about continuation of the income from this source, the time period used, and, if more than the previous 30 days, the reason additional income was considered.

Once the Worker has determined all of the old sources of income to consider and the time period for which they are considered, he must then determine if any source should be considered for future income.

NOTE: Some past income will never be used. When income from an old source is not expected to continue into the new certification period, it will never be used. In addition, some future income will never be used. When income from a new source is received but could not have been anticipated, that income is not used.

When the ***Frequency*** of Receipt is:	When the ***Amount*** is ***Stable***	When the ***Amount Fluctuates******
Monthly	Use ***Actual*** Monthly Amount	Use ***Average**** Monthly Amount
More Often than Monthly	***Convert*** Amount/period to Monthly Amount	Find ***Average****** Amount/period and ***Convert*** to Monthly Amount
Less Often than Monthly	***Prorate*** to Find Amount for Intended Period. If Not Monthly, ***Convert or Prorate*** Amount	***Prorate*** to Find Amount for Intended Period. If Not Monthly, ***Convert or Prorate*** Amount

***NOTE:** The purpose of finding an average amount of fluctuating income is to even out the highs and lows in the amount of income. The client is not, then, required to report fluctuating income each pay period and the Worker is not required to change income monthly. See Section 2.2,B for SNAP reporting requirements. Sometimes the client receives higher benefits than he would if actual income were used and sometimes he receives lower benefits. Therefore, when the Worker has averaged fluctuating income based on the best information available and the client's income does not match the monthly amount used by the Worker, there is no repayment when the client receives higher benefits and no supplemental issuance when the client receives lower benefits. Should the client report fluctuations in the amount of income, the Worker is only required to recalculate the countable income when, in his judgment, the fluctuation will significantly impact the **benefit amount.** All changes reported by the client must be considered, but not necessarily used. Reported changes must be recorded and the Worker must record why the reported income was or was not used.

To Whom It May Concern:

Ms. Doubtfire works for me at the Dew Drop Inn as a waitress. I pay her $5.15 for every hour she works. She does make some in tips, but I don't know how much. The IRS makes me figure her tips so I do it according to how much food she sells. I don't think she really gets that much. None of my waitresses do, but the IRS makes me do it.

Very truly yours,
Big Pat Holcomb

There is no 3rd-party, independent verification available for the amount of Ms. Doubtfire's tips. However, she does state that she receives tips, so income from the tips cannot be disregarded. The only way to verify the amount of tips is to accept her statement as to the amount. There is no other source of verification available, so the Worker must accept her statement. The Worker must record that the employer confirmed that the tips shown on the pay stubs do not necessarily reflect the amount she actually receives, that this is the best information that can be provided to verify the situation and that the client's statement is accepted as verification.

B. INCOME DISREGARDS AND DEDUCTIONS

Certain items may be allowed as income deductions to arrive at an AG's countable income. A deduction is allowed even if the payment is made from assets (EXCEPTION: educational expenses). The expense must be billed or be due during the certification period in which the deduction is claimed. In addition, deductions from the AG's income are applied only if the expense is obligated to be met by the AG's own resources. The AG's obligation must be to an individual not included in the AG to receive a deduction.

NOTE: When a client fails to report household expenses which would normally result in a deduction, the AG loses their entitlement to that deduction. They have a right to the expense, once it is reported and verified, if required by policy. See Section 2.2.

Conversion of expense to a monthly amount is accomplished by multiplying an actual or average amount as follows:

- **Weekly amount x 4.3**
- **Bi-weekly amount (every 2 weeks) x 2.15**
- **Semi-monthly (twice/month) x 2**

Some expenses cannot be anticipated or occur too late in the month to use as deductions in the following month. They are used as deductions for the first month for which a change can be made effective.

At initial application, expenses paid during previous months are not used. Expenses paid or due during the month of application are used. In some situations, expenses from previous months are used to anticipate ongoing expenses.

In addition, any SNAP AG may choose to have fluctuating expenses averaged, except for educational expenses. Expenses are averaged by dividing the expenses over the number of months they are intended to cover. When expenses are prorated, they are prorated over the certification period, or the remainder of the certification period, as appropriate.

Expenses regularly billed as a single monthly payment and which are used as a deduction, are used in the month the expense is intended to cover. An expense does not have to be paid to be a deduction.

The following are the only allowable disregards and deductions for the SNAP Program. They apply to the income of the AG members and any individual sanctioned/penalized due to enumeration, IPV, failure to comply with a work requirement or disqualified by law. See item D,8.

1. Earned Income Disregard

   Twenty percent (20%) of gross non-excluded earned income, including gross profit from self-employment, is disregarded. This disregard is applied to the combined earnings of all members of the AG and to those persons whose income is counted or deemed. It is intended to cover those expenses incidental to employment or training, such as transportation, meals away from home, special clothing and payroll deductions.

2. Standard Deduction

   A Standard Deduction is applied to the total non-excluded income counted for the AG, after application of the Earned Income Disregard. The amount of the Standard Deduction is found in Appendix B.

3. Dependent Care Deduction

   A deduction is allowed for payment for the care of a child or other dependent, when the expense is necessary for an Income Group member to accept, continue or seek employment or training, or pursue education which is preparatory to employment. Persons enrolled in an institution of post-secondary education, in a course of study designed to lead to any degree, are considered to be pursuing education which is preparatory to employment. Persons taking only elective classes or some specialized classes, or who do not have a declared major do not qualify for this deduction.

Dependent care expenses are deducted from educational funds to the extent that they are earmarked and/or used for such expenses. See item D,7. Dependent care expenses deducted from educational funds are deducted from these funds last, after all other allowable educational expenses, so that the client may then use any excess dependent care expenses as a Dependent Care Deduction.

NOTE: When third party payments are made for dependent care, no deduction is given for the amount paid by the third party.

4. Child Support Deduction

A deduction is allowed for legally obligated child support actually paid by an AG member or disqualified individual to an individual not residing in the same household.

In West Virginia, legally obligated means the child support is the result of a circuit or magistrate court order, an order issued by administrative process, or a legally enforceable separation agreement. For orders issued in other states, any order that would be upheld by a Judge in a court of law is considered legally obligated.

Legally obligated child support includes cash or in-kind payments, payments on arrearage and payment for medical insurance premiums to cover the dependent child. If the dependent child is included in the parent's medical coverage at no extra cost, no deduction is allowed. If the parent must also enroll in order to cover the child, the total premium amount is used as a deduction. Alimony, spousal support and payments made in accordance with a property settlement are not deducted.

A deduction is allowed based only on payments actually made, not the legally obligated amount, and may not exceed the legal obligation.