

**County of San Diego, Health and Human Services Agency (HHSA)
Cash Assistance Program for Immigrants (CAPI) Program Guide**

Unearned Income

Number

99-103.4

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Revision Date:

August 1, 2019

A. Background:

Examples of unearned income include:

- Annuities and pensions
- Dividends, interest, and royalties
- Prizes, awards, and gambling winnings
- In-Kind Support and Maintenance (ISM)
- Federally funded public assistance (for example, CalWORKs)
- “Gate Money” (amount of \$200 or less that many former inmates receive before they leave a penal institution)
- SSI/SSP benefits received by a spouse living in the same household as the CAPI customer are counted as unearned income based on need
- Alimony and support payments
- Rental income
- Gifts and inheritance
- Death benefits
- Financial aid (grants, loans, scholarships, etc.)
- Earnings of and additions to a corpus of a trust established by an individual to whom the trust provisions apply (see 99-104.6).

B. Policy:

1. Treatment of Unearned Income:

Unearned income is counted in the month it is received. Generally, the gross amount of the unearned income in a month is counted before:

- Recovery of an overpayment from another benefit program (exception: amounts withheld to recover overpayments are excluded if the individual previously received CAPI and another benefit simultaneously and the overpayment amount was included in computing the CAPI payment)
- Any garnishment or withholding to pay a debt or legal obligation, such as child support
- Any withholding to make payments or to pay insurance premiums, such as Medicare.

2. Counting Less than Gross

Less than the gross amount is counted for the income in the table below.

Type of Unearned Income	Treatment
Insurance Settlements	Costs incurred in getting payment, such as legal and medical expenses, are subtracted.
Legal Fees	May be subtracted when associated with receiving a retroactive check from another benefit program.
Death Benefit	Any portion used to pay for last illness or burial expenses of the deceased is subtracted.
Veteran’s Benefits	Any portion paid to the recipient because of a dependent is subtracted from the gross benefit.

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3. Unearned Income Exclusions:

Unearned income exclusions are applied in the order shown below:

1. Unearned income excluded by other federal laws (for example, CalFresh, federal housing and utility assistance, education assistance, and certain payments to Native Americans)
2. Any public agency's refund of taxes paid on real property or food
3. Assistance based on need that is wholly funded by a state or political subdivision (for example, General Relief, which is considered a loan)
4. All student financial aid under Title IV
5. Any portion of a grant, scholarship, or fellowship used for paying tuition, fees, or other necessary educational expenses, other than food, clothing, or shelter. Subtract the amount used for books, tuition, transportation, etc. (based on the Student Financial Aid form from school) from the whole amount of financial aid and count the rest as unearned income.
6. Food raised and consumed by the applicant or other household members
7. Assistance received under the Disaster Relief and Emergency Act
8. Up to \$20 of irregular and infrequent income received no more than once in a calendar quarter (for example, interest)
9. Alaska Longevity Bonus payments
10. Payments for providing foster care to an ineligible child who was placed in the customer's home by a public or private nonprofit agency
11. Interest earned on excluded burial funds
12. In-kind home energy assistance provided by a nonprofit agency or utility company
13. One-third of support payments made to or for a child from an absent parent
14. The first \$20 of any unearned income in a month, other than income based on need. The \$20 exclusion does not apply to a benefit based on need that is totally or partially funded by the federal government. The most common examples are CalWORKs and Veteran's Affairs (VA) pensions.
15. Any unearned income used to fulfill an approved PASS (see 99-103.3.B.5)
16. The value of any federal housing subsidies
17. Interest earned on an excluded burial space
18. Value of any commercial transportation ticket for U.S. travel (including Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands) that is received as a gift
19. Payments from a state fund to aid victims of crime
20. Relocation assistance provided by a state or local government
21. Hostile fire pay received from one of the uniformed services pursuant to U.S. Code 310.

C. Procedure:

Count unearned income as stated in the policies above.

Other Program Impacts:

None.

References:

MPP 49-035.5

ACL 98-82

Sunset Date:

This policy will be reviewed for continuance by 08/31/2022

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RW, 2-31-19

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